



Ports and  
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### Annexure I

### Disclosures to be provided along with the application for listing

#### 1. Issuer details:

##### 1.1 Details of the issuer:

(i)

Name	Adani Ports and Special Economic Zone Limited
Address	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India
CIN	L63090GJ1998PLC034182
PAN	AAACG7917K

(ii) Line of business: Cargo handling incidental to water transport

(iii) Chief Executive (Managing Director - President- CEO - CFO)

Managing Director	Mr. Karan Adani
Chief Executive Officer & WTD	Mr. Ashwani Gupta

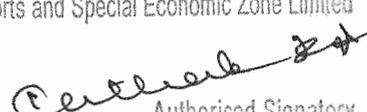
(iv) Group affiliation (if any): Adani Group

##### 1.2 Details of the directors: (As on 30.06.2024)

Name, designation and DIN	Age	Address	Director since	List of other directorships
Mr. Gautam Adani, Chairman & Executive Director  DIN: 00006273	62	Shantivan Farm House, B-h. Karnavati Club, Mohemadpura Village, Ahmedabad - 380 057	26.05.1998	<ul style="list-style-type: none"><li>Adani Enterprises Limited</li><li>Adani Power Limited</li><li>Adani Energy Solutions Limited</li><li>Adani Green Energy Limited</li><li>Adani Total Gas Limited</li><li>Ambuja Cements Limited</li><li>Adani Tradeline Private Limited</li><li>Adani Properties Private Limited</li><li>Adani Institute for Education and Research</li><li>Adani Medicity And Research Center</li><li>Karansagar Corporation</li><li>Adani Trade and Logistics LLP</li><li>Dirk Trade and Logistics LLP</li></ul>
Mr. Rajesh Adani,	60	Shanti Sagar Bunglow Rajpath Club to Bopal Road, Near Kantam Party	26.05.1998	<ul style="list-style-type: none"><li>Adani Enterprises Limited</li><li>Adani Power Limited</li><li>Adani Energy Solutions Limited</li></ul>

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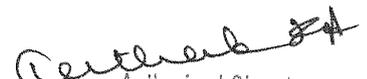
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Non executive Director DIN: 00006322	-	Plot Cross Road, Bodakdev, Ahmedabad - 380 059		<ul style="list-style-type: none"><li>• Adani Welspun Exploration Limited</li><li>• Adani Green Energy Limited</li><li>• Adani Tradeline Private Limited</li><li>• Adani Institute for Education and Research</li><li>• Karnavati Museum of Leadership Foundation</li><li>• Karansagar Corporation</li><li>• Adani Trading Services LLP</li><li>• Adani Skill Development Centre</li><li>• Adani Trade and Logistics LLP</li><li>• Dirk Trade and Logistics LLP</li></ul>
Mr. Karan Adani, Managing Director & Executive Director DIN: 03088095	37	Shantivan Farm House, B-h. Karnavati Club, Gandhinagar Sarkhej Highway, Ahmedabad-380058	24.05.2017	<ul style="list-style-type: none"><li>• Ambuja Cement Limited</li><li>• ACC Limited</li><li>• Adani Infracon LLP</li><li>• Adani Trade and Logistics LLP</li><li>• Dirk Trade and Logistics LLP</li><li>• Karansagar Corporation</li></ul>
Mr. Ashwani Gupta, Chief Executive Officer & Whole Time Director DIN: 10455435	54	Flat No. 4056, Sector-B-5 and 6, Vasant Kunj, Near Gate No.1, Vasant Kunj S.O, South West, Delhi - 110070	05.01.2024	<ul style="list-style-type: none"><li>• Adani Total Private Limited</li></ul>
Prof. G. Raghuram, Independent Director DIN: 01099026	69	Directors Residence, Indian Institute of Management, Bangalore Campus, IIMB, Bilekahalli, Bangalore South, Bengaluru - 560076	14.05.2012	<ul style="list-style-type: none"><li>• Jupiter Wagons Limited</li><li>• The Akshayapatra Foundation</li><li>• Rajagiri Business School</li><li>• CHRIST</li><li>• Indian Institute of Management of Visakhapatnam</li><li>• Adani University</li><li>• Apollo University</li><li>• The Chartered Institute of Logistics and Transport</li><li>• CISTUP, Indian Institute of Science</li></ul>
Mr. G. K. Pillai, Independent Director DIN: 2340756	75	D-241, 2 <sup>nd</sup> Floor, Sarvodaya Enclave New Delhi - 110 017	19.10.2012	<ul style="list-style-type: none"><li>• Tata International Limited</li><li>• Iyvcap Ventures Advisors Private Limited</li><li>• Tata International Singapore PTE Ltd</li></ul>

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				<ul style="list-style-type: none"><li>• Kerala Infrastructure Fund Management Limited</li><li>• Berger Paints India Limited</li></ul>
Mr Rajkumar Beniwal, Non-Executive & Non-Independent Director  DIN: 07195658	47	Bunglow No. K-12, Sector-19, Gandhinagar - Gujarat - 382021,	09.11.2023	<ul style="list-style-type: none"><li>• GSPC LNG Limited</li><li>• Gujarat Ports Infrastructure and Development Company Limited</li><li>• Diamond Research and Mercantile City Limited</li><li>• Gujarat International Finance Tec-City Company Limited</li><li>• Gujarat Urban Development Company Limited</li><li>• Gujarat Pipavav Port Limited</li><li>• Gujarat Port and Logistics Company Limited</li><li>• Gujarat Chemical Port Limited</li><li>• Swan LNG Private Limited</li></ul>
Mr. Bharat Sheth, Independent Director  DIN: 00022102	66	19-B, Manek, 11 L.D. Ruparel Marg, Malabar Hill, Mumbai- 400006	15.10.2019	<ul style="list-style-type: none"><li>• Accent Realty and Estates LLP</li><li>• The Great Eastern Shipping Company Limited</li><li>• Greatship (India) Limited</li><li>• Indian National Shipowners Association</li><li>• North of England P &amp; I Association</li><li>• Steamship Mutual Underwriters Association</li><li>• Safe Enterprises</li></ul>
Mr. Palamadai Sundararajan Jayakumar Independent Director  DIN : 01173236	62	Flat No. B 803, Vivarea, Near Jacob Circle, Sane Guruji Marg, Mahalaxmi, Mumbai - 400011.	23.07.2020	<ul style="list-style-type: none"><li>• JM Financial Limited</li><li>• CG Power and Industrial Solutions Limited</li><li>• Emcure Pharmaceuticals Limited</li><li>• VBHC Value Homes Private Limited</li><li>• Tata Motors Finance Limited</li><li>• TVS Industrial &amp; Logistics Parks Private Limited</li><li>• HT Media Limited</li><li>• Northern ARC Capital Limited</li><li>• Adani Logistics Limited</li><li>• Zuventus Healthcare Limited</li><li>• Progrow Farm and Rural Mission Private Limited</li><li>• Future Generali India Life Insurance Company Limited</li><li>• TVS Infrastructure Investment Manager Private Limited</li></ul>
Mrs. M.V. Bhanumathi		29 A, Laxmi Estate, Verma Nagar, Azad Road, Near Chinai	28.02.2024	<ul style="list-style-type: none"><li>• UPL Sustainable Agri Solutions Limited</li><li>• Shriram Finance Limited</li></ul>

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Independent Director	College, Mumbai - Maharashtra - 400069		
DIN: 10172983			

1.3 Details of change in directors in last three financial years including any change in the current year: (As on 30.06.2024)

Name, designation and DIN	Date of appointment	Date of cessation (in case of resignation)	Remarks (viz. reasons for change etc)
Ms. Avantikasing Aulakh Non-Executive & Non-Independent Director  DIN: 07549438	15.09.2020	21.09.2022	Transferred from Gujarat Maritime Board (GMB)
Mr. Ranjitsinh Barad Non-Executive & Non-Independent Director  DIN: 07559958	21.12.2022	23.06.2023	Transferred from Gujarat Maritime Board (GMB)
Mr. Rajkumar Beniwal, Non-Executive & Non-Independent Director  DIN: 07195658	09.11.2023	-	-
Mr. Ashwani Gupta,  Chief Executive Officer & Whole Time Director  DIN: 10455435	05.01.2024	-	-
Mrs. M.V. Bhanumathi Independent Director  DIN: 10172983	28.02.2024	-	-
Mrs. Nirupama Rao Independent Director  DIN: 06954879	22.04.2019	21.04.2024	Resignation upon completion of her tenure

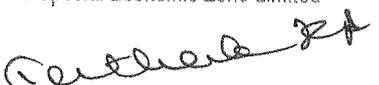
1.4 List of top 10 holders of equity shares of the company (As on 31.3.2024):

Sr. No.	Name and category of shareholder	Total no. of equity shares	No of shares in demat form	Total shareholding as % of total no. of equity shares
1	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (On behalf of S.B. Adani Family Trust)	67,77,53,935	67,77,53,935	31.38
2	Life Insurance Corporation Of India	16,88,71,417	16,88,71,417	7.82
3	Adani Tradeline LLP	13,79,07,382	13,79,07,382	6.38

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4	EMERGING MARKET INVESTMENT DMCC	13,62,35,995	13,62,35,995	6.31
5	FLOURISHING TRADE AND INVESTMENT LTD	12,44,54,607	12,44,54,607	5.76
6	AFRO ASIA TRADE AND INVESTMENTS LIMITED	8,99,45,212	8,99,45,212	4.16
7	WORLDWIDE EMERGING MARKET HOLDING LIMITED	8,60,92,798	8,60,92,798	3.99
8	ADANI RAIL INFRA PRIVATE LIMITED	7,06,21,469	7,06,21,469	3.27
9	GOLDMAN SACHS TRUST II - GOLDMAN SACHS GQG PARTNERS INTERNATIONAL OPPORTUNITIES FUND	5,73,64,973	5,73,64,973	2.66
10	RESURGENT TRADE AND INVESTMENT LTD	5,30,04,718	5,30,04,718	2.45

### 1.5 Details of the statutory auditor:

Name and address	Date of appointment	Remarks
M S K A & Associates Chartered Accountants (firm registration no. 105047W) Address: West Gate Business Bay, Level - 6, Opp. Nirvana Party Plot, S. G. Highway, Ahmedabad, Gujarat 380051.	12.08.2023	-

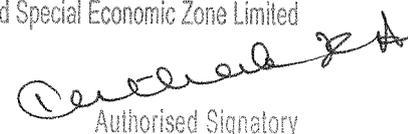
Due to casual vacancy M/s. M S K A & Associates, Chartered Accountants (firm registration no. 105047W) was appointed as the Statutory Auditors of the Company w.e.f. 12<sup>th</sup> August, 2023 and thereafter shareholder has approved said appointment at Annual General Meeting held on 24<sup>th</sup> June, 2024 for a first term of a five years.

### 1.6 Details of the change in statutory auditors in last three financial years including any change in the current year:

Name and address	Date of appointment	Date of resignation	Remarks
Deloitte Haskins & Sells LLP Address: 19 <sup>th</sup> Floor, Shapath-V, Besides Crown Plaza, S.G. Highway, Ahmedabad-380015	09.08.2017	12.08.2023	Resigned as statutory auditor of the Company
M S K A & Associates Chartered Accountants Address: West Gate Business Bay, Level - 6, Opp. Nirvana Party Plot, S. G. Highway, Ahmedabad, Gujarat 380051.	12.08.2023	-	-

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### 1.7 List of top 10 NCD holders (as on 31.03.2024):

Sr. No.	Name of Holder	Category	Face Value (Rs.in Cr)	Holding of debt securities as a percentage of total debt securities outstanding of the issuer
1	LIFE INSURANCE CORPORATION OF INDIA	IC	5400	45.95%
2	MORGAN STANLEY INDIA PRIMARY DEALER PRIVATE LIMITED	CBO	880	7.49%
3	TRUST INVESTMENT ADVISORS PRIVATE LIMITED	CBO	688	5.85%
4	ALPHA ALTERNATIVES FINANCIAL SERVICES PRIVATE LIMITED	CBO	550	4.68%
5	CANARA BANK	NB	500	4.25%
6	IIFL FINANCE LTD	CBO	500	4.25%
7	IIFL HOME FINANCE LIMITED	CBO	500	4.25%
8	THE NOMURA TRUST AND BANKING CO. LTD. AS THE TRUSTEE OF INDIAN LOCAL CURRENCY DENOMINATED BOND MOTHER FUND	FPC	500	4.25%
9	ICICI BANK LTD	CBO	400	3.40%
10	NAVODAYA VIDYALAYA SAMITI CONTRIBUTORY PROVIDENT FUND A/C	TRU	264.5	2.25%

### 1.8 List of top 10 CP holders (as on 31.03.2024) :

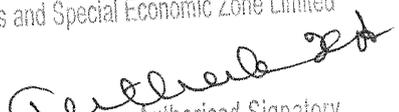
Sr. No.	Name of CP holder	Category of CP holder	Face value of CP holding ( Rs.in Cr)	CP holding percentage as a percentage of total CP outstanding of the issuer
1	NA	NA	NA	NA

## 2. Material Information:

2.1 Details of all default-s and-or delay in payments of interest and principal of CPs, (including technical delay), debt securities, term loans, external commercial borrowings and other financial indebtedness including corporate guarantee issued in the past 5 financial years including in the current financial year. - **NIL**

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2.2 Ongoing and-or outstanding material litigation and regulatory strictures, if any.

For details please refer Annual Reports available at <https://www.adaniports.com>

2.3 Any material event- development having implications on the financials-credit quality including any material regulatory proceedings against the Issuer-promoters, tax litigations resulting in material liabilities, corporate restructuring event which may affect the issue or the investor's decision to invest - continue to invest in the CP. –

There is no material event, development or change having implications on the financials or credit quality at the time of the issue which may affect the issue or the investor's decision to invest or continue to invest in the CPs.

**3. Details of borrowings of the company, as on the latest quarter end (as on 31.03.2024):**

3.1 Details of debt securities and CPs:

1. Details of CPs :

Sr. No.	ISIN	Tenor in days	Coupon	Amount issued (Rs. In Cr)	Date of allotment	Redemption date/ Schedule	Credit rating	Secured/ Unsecured	Security	Other Details viz. Details of IPA, Details of CRA
1	NA	NA	NA	NA	NA	NA	NA	NA	NA	

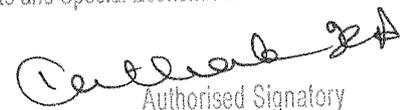
2. Details of NCDs :

Sr. No.	ISIN	Tenor in days	Coupon	Amount issued (Rs. In Cr)	Date of allotment	Redemption date/ Schedule	Credit rating	Secured / Unsecured	Security	Other Details viz. Details of IPA, Details of CRA
1	INE742F07437	10 Years	7.65	1,600	31/10/2017	30/10/2027	AA+ (Stable)	Secured	Project Assets of Co & Subsidiary	CRA – ICRA Ltd
2	INE742F07411	10 Years	8.24	1,300	29/11/2016	27/11/2026	AA+ (Stable)	Secured	Project Assets	

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3	INE74 2F074 29	10 Years	8.22	1,000	08/03 /2017	08/03 /2027	AA+ (Stable)	Secured	Project Assets	
4	INE74 2F074 60	10 Years	8.50	1,500	13/04/ 2020	13/04/ 2030	AA+ (Stable)	Secured	Project Assets	
5	INE74 2F073 61	10 Years	9.35	252	30/06 /2016	04/07/ 2026	AA+ (Stable)	Secured	Project Assets	CRA – India Ratings & ICRA Ltd
6	INE74 2F073 53	10 Years	9.35	100	26/05/ 2016	27/05/ 2026	AA+ (Stable)	Secured	Project Assets	
7	INE74 2F075 10	3 Years	6.25	1,000	18/10/ 2021	18/10/ 2024	AA+ (Stable)	Secured	Movable Assets of Subsidiary	CRA – India Ratings
8	INE74 2F075 28	5 Years	8.70	250	09/01/ 2024	07/01/ 2029	AA+ (Stable)	Secured	Financial Assets	CRA – ICRA LTD & India Ratings CRA -
9	INE74 2F075 36	10 Years	8.8 0	250	09/01/ 2024	06/01/ 2034	AA+ (Stable)	Secured	Financial Assets	

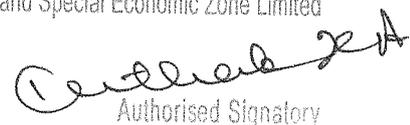
3.2 Details of secured- unsecured loan facilities- bank fund based facilities- rest of the borrowing, if any, including hybrid debt like foreign currency convertible bonds (FCCB), optionally convertible debentures - preference shares from banks or financial institutions or financial creditors, as on 31.3.2024:

Lender's name/ Name of the Bank	Nature of facility/ instrument	Amount sanctioned	Princip al Amount outsta nding (Rs.in Cr)	Repaym ent date / schedule	Securit y, if applica ble	Credit rating, if applicab le	Asset classifica tion
HDFC Bank Limited	RTL	Rs.500 Cr	238	June-24	Specific Assets	AA+ (Stable)	Standard
	RTL	Rs.500 Cr	500	July-25	Specific Assets	AA+ (Stable)	Standard
The Bank of New York Mellon (Acting as Trustee for senior USD Notes)	Foreign Bond	USD 500 mn	4,170	February -31	N.A.	Baa3/BB B-	Standard
	Foreign Bond	USD 500 mn	4,170	July-27	N.A.	Baa3/BB B-	Standard
	Foreign Bond	USD 750 mn	6,255	July-29	N.A.	Baa3/BB B-	Standard
	Foreign Bond	USD 650 mn	2,711	July-24	N.A.	Baa3/BB B-	Standard
	Foreign Bond	USD 750 mn	6,255	August- 27	N.A.	Baa3/BB B-	Standard

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	Foreign Bond	USD 300 mn	2,502	February -32	N.A.	Baa3/BB B-	Standard
	Foreign Bond	USD 450 mn	3,753	August-41	N.A.	Baa3/BB B-	Standard
MUFG Bank Ltd	BC	USD 24 mn	200	July-24	N.A.	N.A.	N.A.
DBS Bank	BC	USD 1 mn	6	Feb-25	N.A.	N.A.	N.A.
DBS Bank	BC	USD 13 mn	106	Jan-25	N.A.	N.A.	N.A.
Axis Bank Ltd	BC	USD 7 mn	59	Sep-24	N.A.	N.A.	N.A.
Indusind Bank	STL	Rs. 190 Cr	190	June-24	N.A.	N.A.	N.A.
IDFC Bank Ltd	FLC	USD 2 mn	20	Mar-26	N.A.	N.A.	N.A.
Axis Bank Ltd	FLC	USD 0.12mm	1	Apr-24	N.A.	N.A.	N.A.

Note :

1. Above numbers are as per Ind AS

3.3 The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued, contingent liability including debt service reserve account (DSRA) guarantees- any put option etc.

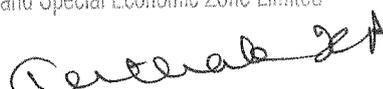
1. Details of Corporate Guarantee as on 31.3.2024:

Sr. No	Name of the Company	Nature	Type of Relationship	Name of Bank/Lender	Amount Outstanding (Rs. In Cr)
1	Adani Hazira port Limited	Corporate Guarantee	Subsidiary	Axis Bank	68
2	Adani Vizhinjam Port Private Limited	Corporate Guarantee	Subsidiary	NCDs	500
3	Adani Vizhinjam Port Private Limited	Corporate Guarantee	Subsidiary	Axis bank	336
4	The Dhamra Port Company Limited	Corporate Guarantee	Subsidiary	HDFC Bank Limited	94
5	The Adani Harbour Services Limited	Corporate Guarantee	Subsidiary	Mizuho Bank	301
6	Adani Krishnapatnam Port Company Ltd.	Corporate Guarantee	Subsidiary	Axis Bank	59
7	Shanti Sagar International Dredging Ltd.	Corporate Guarantee	Subsidiary	Citi Bank & DZ Bank	347
8	Adani Logistics Services Private Limited	Corporate Guarantee	Subsidiary	HDFC Bank	0

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9	Adani Agri Logistics Ltd	Corporate Guarantee	Subsidiary	ICICI BANK	53
10	AdaniAgri Logistics (Kannauj) Limited	Corporate Guarantee	Subsidiary	Citi Bank	37
11	AdaniAgri Logistics(Katihar) Limited	Corporate Guarantee	Subsidiary	Citi Bank	6
12	AdaniAgri Logistics(Samastipur) Limited	Corporate Guarantee	Subsidiary	Citi Bank	5
13	AdaniAgri Logistics (Dhamora) Limited	Corporate Guarantee	Subsidiary	Citi Bank	14
14	Adani Forwarding Agent Limited	Corporate Guarantee	Subsidiary	Axis Bank	37
15	Adani Tracks Management Services Limited	Corporate Guarantee	Subsidiary	Axis Bank	51
16	Adani Kandla Bulk Terminal Private Limited	Corporate Guarantee	Subsidiary	Axis Bank	2
17	The Dhamra Port Company Limited	Corporate Guarantee	Subsidiary	HDFC Bank Limited	297
18	Dighi Port Limited	Corporate Guarantee	Subsidiary	Axis Bank	7
19	Adani CMA Mundra Terminal Private Limited	Corporate Guarantee	Joint Venture	EXIM Bank	334
20	Colombo West International Terminal (Private) Limited	Corporate Guarantee	Joint Venture	Standard Chartered Bank	75
21	Adani International Ports Holdings Pte. Limited	Corporate Guarantee	Subsidiary	Mizuho Bank	3,901
22	Adani International Ports Holdings Pte. Limited	Corporate Guarantee	Subsidiary	Standard Chartered Bank	32
23	Adani International Ports Holdings Pte. Limited	Corporate Guarantee	Subsidiary	Barclays Bank	10
24	Mediterranean International Ports A.D.G.D Limited	Corporate Guarantee	Subsidiary	Bank Mizrahi	2,561

### 2. Details of Contingent Liabilities as on 31.03.2024:

Sr. No	Particulars	March 31, 2024
--------	-------------	----------------

Adani Ports and Special Economic Zone Ltd  
Adani Corporate House, Shantigram,  
Nr. Vaishno Devi Circle, S. G. Highway,  
Khodiyar, Ahmedabad - 382421  
Gujarat, India  
CIN: L63090GJ1998PLC034182

Tel +91 79 2555 4444  
Fax +91 79 2555 7177  
Investor.apsezi@adani.com  
www.adaniports.com

Adani Ports and Special Economic Zone Limited

  
Authorised Signatory



Ports and  
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1	Certain facilities availed by the subsidiaries and joint ventures against credit facilities sanctioned to the Company.	1,307.53
2	Bank Guarantees given to government authorities and banks	280.54
3	Show cause notices from the Custom Authorities against duty on port related cargo. The Company has given deposit of Rs. 0.05 crore (previous year Rs. 0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14
4	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeals there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other fixed assets during financial year 2006-07 to 2016-17. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of Rs. 4.50 crore (previous Year Rs. 4.50 crore) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011).	32.63
5	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat Rs. 6.72 crore (previous Year Rs. 6.72 crore) and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad Rs. 0.15 crore (previous Year Rs. 0.15 crore) and Commissioner of Service Tax Ahmedabad Rs. 0.03 crore (previous Year Rs. 0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90
6	The Company's tax assessments is completed till Assessment year 2021-22, Appeals are pending with High Court/Supreme Court for Assessment Year 2008-09 to AY 2010-11, with CIT for AY 2017-18 to AY 2021-22. Company has received favourable orders on most of the matters for AY 2008-09 to AY 2021-22 from CIT(A)/ITAT/High Court, hence the management is reasonably confident that no liability will devolve on the Company. Company has considered it as remote liability.	
7	For Arbitration related matter refer note 40 of the Standalone Financial Statement	

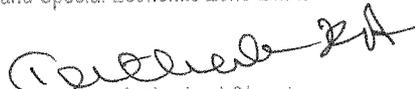
4. Issue Information:

4.1 Details of current tranche including ISIN, amount, date of issue, maturity, all credit ratings including unaccepted ratings, date of rating, name of credit rating agency, its validity period (details of credit rating letter issued not older than one month on

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the date of opening of the issue), details of issuing and paying agent and other conditions, if any. – **Letter attached.**

4.2 CP borrowing limit, supporting board resolution for CP borrowing, details of CP issued during the last 15 months. – **The Company has not issued any CPs in last 15 months. CP borrowing limit is approved by the Board of directors of Company. (Copy of board resolution attached)**

4.3 End-use of funds: **Payment of Earlier debt (Including Commercial Papers), Loan, Working capital \needs and other end use will be in compliance with RBI guidelines for banks.**

4.4 Credit Support-enhancement (if any): - **None**

5. Financial Information – **Details attached**

6. Asset Liability Management (ALM) Disclosures: - **Not applicable**

**For, Adani Ports and Special Economic Zone Limited**

**Authorised Signatory**



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## 2 4.1 Details of Offer Letter

<b>Sr. No.</b>	<b>ISIN</b>	<b>Tenure in Days</b>	<b>Amount Issued (Rs. In crore)</b>	<b>Date of Issue</b>	<b>Redemption date/schedule date</b>
1	INE742F14QY7	76	150.00	11-Jul-24	25-Sep-24

<b>Rating Agency</b>	CARE	India Ratings & Research	Unaccepted Rating
<b>Rating Assigned</b>	A1+	A1+	Nil
<b>Date of Rating</b>	June 17, 2024	June 18, 2024	
<b>Validity Period</b>	June 16, 2025	June 17, 2025	
<b>IPA</b>	HDFC Bank Ltd.		

Declaration: We hereby confirm that the above rating is valid as at the date of issuance and listing of CP.

Note: Total CP issue size under above ISIN is Rs. 1400 crore including current issue of Rs. 150 crore.

**EXTRACT OF THE MINUTES OF THE FINANCE COMMITTEE MEETING OF ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED HELD ON 24<sup>TH</sup> JUNE, 2024 AT ADANI CORPORATE HOUSE, SHANTIGRAM, NEAR VAISHNO DEVI CIRCLE, S. G. HIGHWAY, KHODIYAR, AHMEDABAD-382421.**

"RESOLVED THAT in supersession of earlier resolution passed at the Finance Committee Meeting held on 20<sup>th</sup> September, 2022; the Company do issue Commercial Paper (CP) upto the aggregate value of Rs. 6,700 Crores (Rupees Six Thousand Seven Hundred Crores only) in one or more tranche(s) from time to time with a maturity period upto one year, to one or more permitted investor/s, including Scheduled Banks, Foreign Institutional Investors, Institutional Investors etc. in accordance with the guidelines issued by the Reserve Bank of India (RBI) and on such terms and conditions as may be agreed to between the IPA and the Company.

RESOLVED FURTHER THAT Mr. Karan Adani or Mr. Ashwani Gupta, Directors or Mr. D. Muthukumar, Chief Financial Officer or Mr. Kamlesh Bhagia, Company Secretary or Mr. Rohit Kumar Sarma or Mr. Kalpesh Pathak or Mr. Anand Singhal or Mr. Pratik Shah or Mr. Jatin Raval or Mr. Giriraj Somani or Mr. Jaymeen Patel, Authorised Signatories of the Company be and are hereby severally authorised inter-alia:

- a) to negotiate, discuss and finalise the terms and conditions for the issue of CP, including without limitation, issue price, rate of interest, redemption period. etc.;
- b) to appoint HDFC Bank Limited, as IPA and to finalise, sign and execute IPA agreements and such other agreements and documents required for issue of the CP;
- c) to invite applications and receive application monies;
- d) to approve, finalise, execute, sign and deliver or arrange the delivery of the related documents or instruments whatsoever in connection with the CP;
- e) to allot the CP to such person(s), in one or more tranche(s) from time to time. as per the terms contained in the IPA Agreement and issue the CP in demat or any other mode to the allottees;
- f) to approve, finalise, execute, deliver or cause to be executed and delivered on behalf of the Company, commercial paper certificates, receipts, notices, mandates, agreements, powers of attorney and other deeds, instruments and writings whatsoever in connection with any of the purposes mentioned above or for any other purposes necessary or incidental to the issue of CP;



- g) to do all such acts, deeds, matters and things as the Authorised Signatory may, in their absolute discretion, deem necessary or desirable in connection with the CP issue.

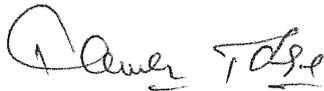
RESOLVED FURTHER Mr. Karan Adani or Mr. Ashwani Gupta, Directors or Mr. D. Muthukumaran, Chief Financial Officer or Mr. Kamlesh Bhagia, Company Secretary or Mr. Rohit Kumar Sarada or Mr. Kalpesh Pathak or Mr. Anand Singhal or Mr. Pratik Shah or Mr. Jatin Raval or Mr. Giriraj Somani or Mr. Jaymeen Patel, Authorised Signatories of the Company be and are hereby severally authorised inter-alia:

- a) to appoint Link Intime India Private Limited as the Registrar and Transfer Agent for issue of the CP and to finalise, sign and execute agreements and such other documents required for the above purpose;
- b) to make applications, submit Master Creation Form, Corporate Action Form and other related Papers to the National Securities Depository Limited (NSDL) and / or Central Depository Services (India) Limited (CDSL) for issue of CP in demat or any other mode from time to time;
- c) to comply with all the statutory requirements and cause filing of any documents, certificates, forms, etc. with any statutory or regulatory authorities through the IPA.

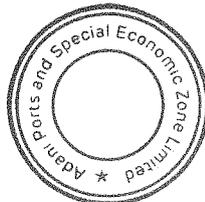
RESOLVED FURTHER THAT the Common Seal of the Company, if required, be affixed in presence of any one of Mr. Karan Adani or Mr. Ashwani Gupta, Directors or Mr. D. Muthukumaran, Chief Financial Officer or Mr. Kamlesh Bhagia, Company Secretary or Mr. Rohit Kumar Sarada or Mr. Kalpesh Pathak or Mr. Anand Singhal or Mr. Pratik Shah or Mr. Jatin Raval or Mr. Giriraj Somani or Mr. Jaymeen Patel, Authorised Signatories of the Company who shall sign in token thereof as required by the Articles of Association of the Company in token thereof.

RESOLVED FURTHER THAT a certified true copy of the aforesaid resolution be submitted to such authorities as may be required for its records."

**Certified True Copy  
For Adani Ports and Special Economic Zone Limited**



**Kamlesh Bhagia  
Company Secretary  
Membership No. A19198**



**Independent Auditor's Report on Consolidated Audited Annual Financial Results of Adani Ports and Special Economic Zone Limited pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.**

**To the Board of Directors of Adani Ports and Special Economic Zone Limited**

**Report on Audit of Consolidated Financial Results**

**Qualified Opinion**

We have audited the accompanying Statement of Consolidated annual financial results of Adani Ports and Special Economic Zone Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), joint ventures for the year ended March 31, 2024 ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate audited financial statements of subsidiaries and joint ventures, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Statement:

(i) includes the annual financial results of Holding Company and the entities as given in Annexure 1 to the report;

(ii) is presented in accordance with the requirements of the Listing Regulations in this regard; and

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") as amended, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Group and joint ventures for the year ended March 31, 2024.

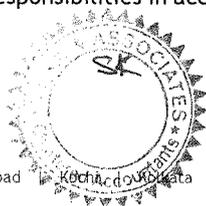
**Basis for Qualified Opinion**

a) Our consolidated audit report on the Statement for the year ended March 31, 2024 was qualified in respect of the matter stated below:

As described in Note 9 to the Statement, pending outcome of the Securities and Exchange Board of India's ("SEBI") investigations, we are unable to comment on the possible consequential effect thereof on any of the periods presented in the Statement and whether the Company has complied with any applicable laws and regulations.

The erstwhile auditors' audit opinion for the year ended March 31, 2023 and our review conclusion for the quarter ended December 31, 2023, were also modified for the above matter.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group, and of its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.



We believe that the audit evidence obtained by us and other auditor(s) in terms of their reports referred to in “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

**Management and Board of Directors’ Responsibilities for the Consolidated Financial Results**

This Statement, which is the responsibility of the Holding Company’s Management and approved by the Holding Company’s Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company’s Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its joint ventures in accordance with the recognition and measurement principles laid down in accordance with the applicable Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and is in compliance with the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint ventures 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective entities included in the Group and of its joint ventures or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

**Auditor’s Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this Statement.



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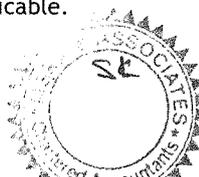
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 ability of the Group and of its joint ventures 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 Statement 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 Group and of its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and of its joint ventures to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors 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.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.



**Other Matters**

1. The Statement includes the audited financial statements of 98 subsidiaries whose Financial Statements reflect Group's share of total assets of ₹ 60,614.92 crores as at March 31, 2024, Group's share of total revenue of ₹ 7,770.03 crores, Group's share of total net profit after tax of ₹ 848.37 crores, and Group's share of total comprehensive income of ₹ 862.53 crores for the period from April 01, 2023 to March 31, 2024 and Group's net cash inflow of ₹ 42.43 crores for the year ended as on date respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of ₹ 43.20 crores and total comprehensive income of ₹ 118.43 crores for the period from April 01, 2023 to March 31, 2024, respectively, as considered in the Statement, in respect of 21 joint ventures, whose financial statements have not been audited by us. These financial statements which have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries and joint ventures, is based solely on the reports of such other auditors and the procedures performed by us are as stated in paragraph above.

Certain subsidiaries located outside India whose financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

We have audited these conversion adjustments made by the Holding Company's Management. Our opinion on the Statement, in so far as it relates to the financial statements of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

Our opinion is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

2. The Statement includes the unaudited financial statements of 2 subsidiaries, whose financial Statements reflect Group's share of total assets of ₹ 0.34 crores as at March 31, 2024, Group's share of total revenue of ₹ 0.20, Group's share of total net (loss) after tax of ₹ 20.75 crores, and Group's share of total comprehensive (loss) of ₹ 20.75 crores, for the period from April 01, 2023 to March 31, 2024 and Group's net cash inflow of ₹ 23.77 crores for the year ended as on date respectively, as considered in the Statement. The Statement also includes the unaudited financial statements of 1 joint venture, whose financial statements reflects Group's share of net profit (including other comprehensive income) of ₹ Nil for the year ended March 31, 2024. These unaudited financial statements have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion is not modified with respect to the above financial statements certified by the Board of Directors.

3. The Statement includes the audited financial statements of 1 branch, whose financial statements reflect total assets of ₹ 11.54 crores as at March 31, 2024, and total revenues of ₹ 13.29 crores, for the period from April 01, 2023 to March 31, 2024 respectively, as considered in the Statement. The financial statements of this branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.



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This branch is located outside India whose, financial statements has been prepared in accordance with the accounting principles generally accepted in their respective country and which has been audited by branch auditor under generally accepted auditing standards applicable in their respective country. The Company's Management has converted the financial statements of such branch located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India.

These conversion adjustments have not been audited by their auditor. Our opinion on the Statement, in so far as it relates to the financial statements of such branch located outside India, is based on the report of branch auditor and the conversion adjustments prepared by the Management of the Company. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion is not modified in respect of the above matter.

4. The Statement for the year ended March 31, 2023, was audited by another auditor. They had modified their report dated May 30, 2023 with respect to matter as described In Basis for Qualification Opinion section above.

Our opinion is not modified in respect of the above matter.

5. The Statement includes the results for the quarter ended March 31, 2024, being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our opinion is not modified in respect of the above matter.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No.105047W

*Samip k. Shah*

**Samip Shah**  
Partner  
Membership No.: 128531



**UDIN: 24128531BKFFVB2670**

Place: Ahmedabad  
Date: May 02, 2024

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Chartered Accountants

## Annexure 1

### Annexure to the Independent Auditor's Review Report

Sr. No.	Name of Entities
<b>A</b>	<b>Parent</b>
1.	Adani Ports and Special Economic Zone Limited
<b>B</b>	<b>Subsidiaries including Step Down Subsidiaries</b>
1.	Abbot Point Bulkcoal Pty Limited
2.	Abbot Point Operations Pty Limited
3.	Adani Agri Logistics (Barnala) Limited
4.	Adani Agri Logistics (Chandari) Limited
5.	Adani Agri Logistics (Dahod) Limited
6.	Adani Agri Logistics (Darbhanga) Limited
7.	Adani Agri Logistics (Dewas) Limited
8.	Adani Agri Logistics (Dhamora) Limited
9.	Adani Agri Logistics (Gonda) Limited
10.	Adani Agri Logistics (Harda) Limited
11.	Adani Agri Logistics (Hoshangabad) Limited
12.	Adani Agri Logistics (Kannauj) Limited
13.	Adani Agri Logistics (Katihar) Limited
14.	Adani Agri Logistics (Kotkapura) Limited
15.	Adani Agri Logistics (Mansa) Limited
16.	Adani Agri Logistics (Moga) Limited
17.	Adani Agri Logistics (MP) Limited
18.	Adani Agri Logistics (Nakodar) Limited



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19.	Adani Agri Logistics (Panipat) Limited
20.	Adani Agri Logistics (Raman) Limited
21.	Adani Agri Logistics (Samastipur) Limited
22.	Adani Agri Logistics (Sandila) Limited
23.	Adani Agri Logistics (Satna) Limited
24.	Adani Agri Logistics (Ujjain) Limited
25.	Adani Agri Logistics Katihar Two Limited
26.	Adani Agri Logistics Limited
27.	Adani Aviation Fuels Limited
28.	Adani Bangladesh Ports Private Limited
29.	Adani Bulk Terminals (Mundra) Limited
30.	Adani Container Manufacturing Limited
31.	Adani Container Terminal Limited
32.	Adani Ennore Container Terminal Private Limited
33.	Adani Forwarding Agent Limited (Formerly known as Adani Forwarding Agent Private Limited)
34.	Adani Gangavaram Port Limited
35.	Adani Hazira Port Limited
36.	Adani Hospitals Mundra Limited (Formerly known as Adani Hospitals Mundra Private Limited)
37.	Adani International Ports Holdings Pte Limited
38.	Adani Kandla Bulk Terminal Private Limited
39.	Adani Kattupalli Port Limited
40.	Adani Krishnapatnam Port Limited (AKPL)
41.	Adani Logistics Infrastructure Limited (Formerly known as Adani Logistics Infrastructure Private Limited)
42.	Adani Logistics Limited



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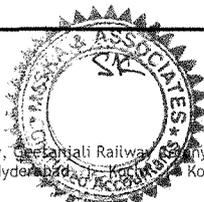
43.	Adani Logistics Services Limited (Formerly known as Adani Logistics Services Private Limited)
44.	Adani Murrugao Port Terminal Private Limited
45.	Adani Noble Limited (Formerly known as Adani Noble Private Limited)
46.	Adani Petronet (Dahej) Port Limited
47.	Adani Ports Technologies Private Limited
48.	Adani Tracks Management Services Limited (Formerly known as Adani Tracks Management Services Private Limited)
49.	Adani Vizag Coal Terminal Private Limited
50.	Adani Vizhinjam Port Private Limited
51.	Adani Warehousing Limited
52.	Adani Warehousing Services Limited (Formerly known as Adani Warehousing Services Private Limited)
53.	Adinath Polyfills Private Limited
54.	Adrita Realtors Private Limited (w.e.f September 01, 2023)
55.	Agratas Projects Private Limited (w.e.f September 02, 2023)
56.	Anchor Port Holding Pte Limited
57.	Aqua Desilting Private Limited
58.	AYN Logistics Infra Private Limited
59.	Blue Star Realtors Limited
60.	BU Agri Logistics Limited
61.	Colombo West International Terminal (Private) Limited
62.	Dependencia Infrastructure Private Limited (w.e.f September 14, 2023)
63.	Dermot Infracon Limited (Formerly known as Dermot Infracon Private Limited)
64.	Dhamra Infrastructure Limited (Formerly known as Dhamra Infrastructure Private Limited)
65.	Dholera Infrastructure Private Limited
66.	Dholera Port And Special Economic Zone Limited



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67.	Dighi Port Limited
68.	Gangavaram Port Services (India) Limited (Formerly known as Gangavaram Port Services (India) Private Limited)
69.	Griptronics Enterprises Private Limited (w.e.f September 01, 2023)
70.	Haifa Port Company Limited
71.	Hazira Infrastructure Limited
72.	HDC Bulk Terminal Limited
73.	HM Agri Logistics Limited
74.	Karaikal Port Private Limited (w.e.f April 04, 2023)
75.	Karnavati Aviation Private Limited
76.	Madurai Infrastructure Limited (Formerly known as Madurai Infrastructure Private Limited)
77.	Marine Infrastructure Developer Private Limited
78.	Mediterranean International Ports A.D.G.D Limited
79.	Mundra Crude Oil Terminal Limited (Formerly known as Mundra Crude Oil Terminal Private Limited)
80.	Mundra International Airport Limited (Formerly known as Mundra International Airport Private Limited)
81.	Mundra LPG Terminal Private Limited
82.	Mundra SEZ Textile And Apparel Park Private Limited
83.	Mundra Solar Technopark Private Limited
84.	Nabhganga Enterprises Private Limited (w.e.f August 24, 2023)
85.	Noble Port Pte Limited
86.	NRC Limited
87.	Ocean Sparkle Limited
88.	Pearl Port Pte Limited
89.	Port Harbour Services International Pte Limited
90.	PU Agri Logistics Limited



# MSKA & Associates

Chartered Accountants

91.	Saptati Build Estate Limited (Formerly known as Saptati Build Estate Private Limited)
92.	Savi Jana Sea Foods Private Limited
93.	Sea Sparkle Harbour Services Limited
94.	Seabird Distriparks (Krishnapatnam) Limited (Formerly known as Seabird Distriparks (Krishnapatnam) Private Limited)
95.	Shankheshwar Buildwell Limited (Formerly known as Shankheshwar Buildwell Private Limited)
96.	Shanti Sagar International Dredging Limited
97.	Sparkle Overseas Pte. Limited
98.	Sparkle Port Services Limited
99.	Sparkle Terminal And Towage Services Limited
100.	Sulochana Pedestal Limited (Formerly known as Sulochana Pedestal Private Limited)
101.	Tajpur Sagar Port Limited
102.	The Adani Harbour International DMCC
103.	Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Limited)
104.	The Dhamra Port Company Limited
105.	Coastal International Terminals Pte Limited (upto May 31, 2023)
106.	Adani Yangon International Terminal Company Limited (upto May 31,2023)
107.	Mandhata Build Estate Private Limited (w.e.f December 1, 2023)
108.	Udanvat Leasing IFSC Limited (w.e.f October 23, 2023)
109.	Adani Krishnapatnam Container Terminal Private Limited (merged with AKPL on August 11, 2023 w.e.f. April 01, 2022)
110.	Poseidon Leasing IFSC Limited (w.e.f. February 8, 2024)
111.	East Africa Gateway Limited (w.e.f. October 03, 2023)
<b>C</b>	<b>Joint Ventures</b>
1.	Adani CMA Mundra Terminal Private Limited
2.	Adani International Container Terminal Private Limited



# MSKA & Associates

Chartered Accountants

3.	Adani KP Agriwarehousing Private Limited
4.	Adani NYK Auto Logistics Solutions Private Limited
5.	Adani Total Private Limited
6.	Dhamra LNG Terminal Private Limited
7.	Dighi Roha Rail Limited
8.	EZR Technologies Private Limited
9.	IAV Engineering & Construction Services Limited
10.	IAV Engineering Projects Limited
11.	Indian Oiltanking Engineering and Construction Services LLC
12.	Indianoil Adani Ventures Limited
13.	IAV Biogas Private Limited (Formerly known as IOT Biogas Private Limited)
14.	IAV Infrastructures Private Limited (Formerly known as IOT Infrastructures Private Limited ).
15.	IOT Utkal Energy Services Limited
16.	IAV Utkarsh Limited (Formerly known as IOT Utkarsh Limited)
17.	IOT Vito Muhendislik Insaat ve Taahhut AS
18.	JSC Kazakhstancapishelf
19.	KN IAV Private Limited (Formerly known as Katoen Natie IOT Private Limited)
20.	Kazakhstancapishelf India Private Limited
21.	Khimji Sparkle Marine Services Co. SOAC
22.	IAV Urja Services Limited(w.e.f December 12, 2023)
23.	Zuari IAV Private Limited (Formerly known as Zuari Indian Oiltanking Private Limited)
24.	Veracity Supply Chain Pvt. Ltd. (w.e.f October 31, 2023)
25.	Harbour Services Lanka (Pvt) Ltd. (w.e.f November 21, 2023)
26.	PT IOT EPC Indonesia (upto November 15, 2023)



**Adani Ports and Special Economic Zone Limited**

Registered Office : "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421

CIN : L63090GJ1998PLC034182

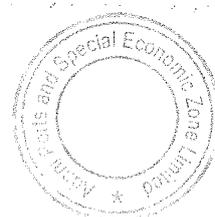
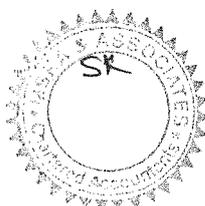
Phone : 079-26565555, Fax 079-25555500, E-mail : investor.apsezl@adani.com, Website : www.adaniports.com


**CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Unaudited (Refer Note 18)	Unaudited	Unaudited* (Refer Note 18)	Audited	Audited*
1	<b>Income</b>					
	a. Revenue from Operations	6,896.50	6,920.10	5,796.85	26,710.56	20,851.91
	b. Other Income	303.44	506.85	381.50	1,499.42	1,552.71
	<b>Total Income</b>	<b>7,199.94</b>	<b>7,426.95</b>	<b>6,178.35</b>	<b>28,209.98</b>	<b>22,404.62</b>
2	<b>Expenses</b>					
	a. Operating Expenses	1,796.46	1,825.99	1,677.89	7,116.34	5,654.56
	b. Employee Benefits Expense	438.50	478.45	452.18	1,896.40	1,178.17
	c. Finance Costs					
	- Interest and Bank Charges	676.57	686.40	763.07	2,784.41	2,593.62
	- Derivative (Gain)/Loss (net)	(72.30)	289.48	(140.51)	(51.47)	(230.98)
	- Foreign Exchange Loss/(Gain) (net)	14.51	(107.25)	0.66	112.82	1,886.32
	d. Depreciation and Amortisation Expense	979.09	985.32	846.36	3,888.46	3,424.71
	f. Other Expenses	617.69	429.71	395.44	1,833.90	1,185.73
	<b>Total Expenses</b>	<b>4,450.52</b>	<b>4,588.10</b>	<b>3,995.09</b>	<b>17,580.86</b>	<b>15,692.13</b>
3	<b>Profit before share of profit/(loss) from joint ventures, exceptional items and tax (1-2)</b>	<b>2,749.42</b>	<b>2,838.85</b>	<b>2,183.26</b>	<b>10,629.12</b>	<b>6,712.49</b>
4	Share of profit/(loss) from joint ventures (net)	(34.74)	(97.52)	7.35	(161.69)	47.78
5	<b>Profit before exceptional items and tax (3+4)</b>	<b>2,714.68</b>	<b>2,741.33</b>	<b>2,190.61</b>	<b>10,467.43</b>	<b>6,760.27</b>
6	Exceptional items (refer note 10)	(373.70)	-	(1,273.38)	(373.70)	(1,273.38)
7	<b>Profit before tax (5+6)</b>	<b>2,340.98</b>	<b>2,741.33</b>	<b>917.23</b>	<b>10,093.73</b>	<b>5,486.89</b>
8	<b>Tax Expense (net)</b>	<b>326.21</b>	<b>533.12</b>	<b>(221.84)</b>	<b>1,989.74</b>	<b>96.04</b>
	- Current Tax	296.53	337.67	133.72	1,134.73	977.90
	- Deferred Tax	29.68	195.45	(355.56)	399.85	(881.86)
	<b>Exceptional Item</b>					
	-Write off of past MAT credit on election of new tax regime (net) (refer note 12)	-	-	-	455.16	-
9	<b>Profit for the period/year (7-8)</b>	<b>2,014.77</b>	<b>2,208.21</b>	<b>1,139.07</b>	<b>8,103.99</b>	<b>5,390.85</b>
	<b>Attributable to:</b>					
	Equity holders of the parent	2,039.66	2,208.41	1,157.55	8,110.64	5,308.85
	Non-controlling interests	(24.89)	(0.20)	(18.48)	(6.65)	82.00
10	<b>Other Comprehensive Income</b>					
	<b>Items that will not be reclassified to profit or loss</b>					
	- Re-measurement (Loss)/Gain on defined benefit plans (net of tax)	(3.81)	(1.40)	10.49	10.31	13.03
	- Net (Loss)/Gain on FVTOCI Investments (net of tax)	(3.24)	-	101.92	(2.88)	106.79
	<b>Items that will be reclassified to profit or loss</b>					
	- Exchange differences on translation of foreign operations	115.48	86.98	(78.59)	136.18	(149.42)
	- Effective portion of (Loss)/Gain on designated portion of cash flow hedge (net of tax)	(30.50)	(26.08)	93.95	(209.34)	(548.50)
	- Share in Other Comprehensive Income/(Loss) of joint ventures net of tax)	64.78	(13.35)	0.68	34.28	20.77
	<b>Total Other Comprehensive Income/(Loss) (net of tax)</b>	<b>142.71</b>	<b>46.15</b>	<b>128.45</b>	<b>(31.45)</b>	<b>(557.33)</b>
	<b>Attributable to:</b>					
	Equity holders of the parent	143.76	25.06	135.24	(40.11)	(563.51)
	Non-controlling interests	(1.05)	21.09	(6.79)	8.66	6.18
11	<b>Total Comprehensive Income for the period/year (9+10)</b>	<b>2,157.48</b>	<b>2,254.36</b>	<b>1,267.52</b>	<b>8,072.54</b>	<b>4,833.52</b>
	<b>Attributable to:</b>					
	Equity holders of the parent	2,183.42	2,233.47	1,292.79	8,070.53	4,745.34
	Non-controlling interests	(25.94)	20.89	(25.27)	2.01	88.18
12	Paid-up Equity Share Capital (Face value of ₹ 2 each)	432.03	432.03	432.03	432.03	432.03
13	Other Equity excluding Revaluation Reserves as at March 31				52,512.74	45,123.89
14	Earnings per Share (Face value of ₹ 2 each)	9.44	10.22	5.36	37.55	24.58
	Basic and Diluted (in ₹) (Not Annualised for the quarter)					

\*Restated (refer note 6(ii))

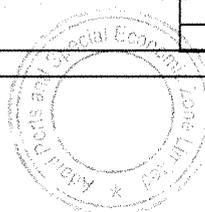
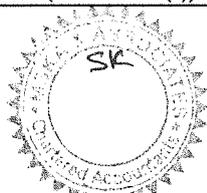


**Consolidated Balance Sheet**

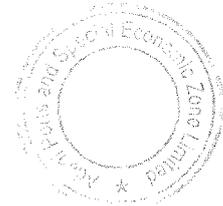
(₹ In crore)

Particulars	As at March 31, 2024	As at March 31, 2023
	Audited	Audited*
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	51,803.83	48,483.88
Right-of-Use Assets	3,809.11	3,864.16
Capital Work-in-Progress	10,936.09	6,636.77
Investment Properties	1,345.30	1,302.23
Goodwill	6,906.93	6,907.47
Other Intangible Assets	11,282.64	11,665.99
Investments accounted using Equity Method	2,707.26	2,498.38
<b>Financial Assets</b>		
Investments	919.61	987.43
Loans	55.00	1,582.15
Loans - Joint Venture Entities	4.52	6.70
Other Financial Assets		
- Bank Deposits having maturity over twelve months	1,523.53	1,467.43
- Other Financial Assets other than above	3,167.65	5,289.31
Deferred Tax Assets (Net)	1,918.67	2,199.90
Other Non-Current Assets	5,065.37	4,274.90
	<b>1,01,445.51</b>	<b>97,166.70</b>
<b>Current Assets</b>		
Inventories	437.51	451.97
<b>Financial Assets</b>		
Investments	661.79	3,945.84
Trade Receivables	3,666.94	3,257.95
Customers' Bills Discounted	-	699.12
Cash and Cash Equivalents	1,575.73	1,121.11
Bank Balance other than Cash and Cash Equivalents	6,056.15	3,213.20
Loans	64.00	107.77
Loans - Joint Venture Entities	205.01	300.33
Other Financial Assets	3,441.08	1,393.10
Other Current Assets	1,177.40	1,164.74
	<b>17,285.61</b>	<b>15,655.13</b>
<b>Assets Held For Sale</b>	186.75	1,941.26
<b>Total Assets</b>	<b>1,18,917.87</b>	<b>1,14,763.09</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	432.03	432.03
Other Equity	52,512.74	45,123.89
<b>Equity attributable to Equity holders of the parent</b>	<b>52,944.77</b>	<b>45,555.92</b>
Non-Controlling Interests	1,598.23	1,361.06
<b>Total Equity</b>	<b>54,543.00</b>	<b>46,916.98</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	37,662.93	46,516.94
Lease Liabilities	2,953.28	2,687.29
Other Financial Liabilities	360.11	322.84
Provisions	1,100.75	1,215.50
Deferred Tax Liabilities (net)	4,169.87	3,424.58
Other Non-Current Liabilities	1,664.99	1,148.84
	<b>47,911.93</b>	<b>55,315.99</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	8,616.30	3,302.37
Customers' Bills Discounted	-	699.12
Lease Liabilities	71.20	61.97
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	152.50	98.88
- total outstanding dues of creditors other than micro enterprises and small enterprises	2,014.86	2,197.16
Other Financial Liabilities	3,501.54	2,620.96
Other Current Liabilities	1,832.45	1,809.41
Provisions	193.44	187.45
Current Tax Liabilities (net)	33.10	31.34
	<b>16,415.39</b>	<b>11,008.66</b>
<b>Liabilities directly associated with Assets classified as Held for Sale</b>	47.55	1,521.46
<b>Total Liabilities</b>	<b>64,374.87</b>	<b>67,846.11</b>
<b>Total Equity and Liabilities</b>	<b>1,18,917.87</b>	<b>1,14,763.09</b>

\*Restated (refer note 6(ii))



Consolidated Statement of Cash flows		(₹ in crore)	
		Year Ended	
Sr. No.	Particulars	March 31, 2024	March 31, 2023
		Audited	Audited*
<b>A</b>	<b>Cash Flows from Operating Activities</b>		
	<b>Profit before Tax</b>	10,093.73	5,486.89
	Adjustments for :		
	Share of loss/(profit) from Joint Ventures	161.69	(47.78)
	Depreciation and Amortisation Expense	3,888.46	3,424.71
	Unclaimed Liabilities / Excess Provision Written Back	(99.12)	(20.85)
	Cost of Assets transferred under Finance Lease	5.27	8.38
	Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(75.37)	(69.57)
	Financial Guarantees Income	(8.54)	(6.53)
	Amortisation of Government Grant	(20.61)	(16.34)
	Finance Costs	2,784.41	2,593.62
	Effect of Exchange Rate Change	328.79	2,527.76
	Derivative Gain (net)	(51.47)	(230.98)
	Gain on fair valuation of Financial Instruments	(5.31)	(7.49)
	Interest Income	(860.19)	(1,246.28)
	Dividend Income	(209.51)	(0.35)
	Net Gain on Sale of Current Investments	(19.41)	(20.71)
	Exceptional items (refer note 10)	373.70	1,273.38
	Investment accounted using Equity Method	-	1.00
	Diminution in value of Inventories	19.70	30.77
	Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
	Gain on Sale / Discard of Property, Plant and Equipment (net)	(8.89)	(60.32)
	<b>Operating Profit before Working Capital Changes</b>	<b>16,299.05</b>	<b>13,621.03</b>
	Adjustments for :		
	Increase in Trade Receivables	(329.79)	(747.74)
	Decrease / (Increase) in Inventories	8.09	(66.66)
	Decrease / (Increase) in Financial Assets	436.12	(563.28)
	(Increase) / Decrease in Other Assets	(138.64)	45.55
	Increase / (Decrease) in Provisions	40.90	(136.32)
	(Decrease) / Increase in Trade Payables	(365.06)	132.73
	Increase in Financial Liabilities	149.37	219.74
	Increase in Other Liabilities	189.46	241.85
	<b>Cash Generated from Operations</b>	<b>16,289.50</b>	<b>12,746.90</b>
	Direct Taxes paid (Net of Refunds)	(1,271.92)	(847.40)
	<b>Net Cash generated from Operating Activities</b>	<b>15,017.58</b>	<b>11,899.50</b>
<b>B</b>	<b>Cash Flows from Investing Activities</b>		
	Purchase of Property, Plant and Equipment (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	(7,416.30)	(9,141.04)
	Proceeds from Sale of Property, Plant and Equipment	26.71	203.79
	Deposit given against Capital Commitments	-	(961.00)
	Refund of Deposit given against Capital Commitments	2,036.63	1,510.00
	Payment for acquisition of subsidiaries	(3,101.73)	(13,222.17)
	Equity Investment in Joint Venture entities	(16.03)	(1,206.90)
	Investment in Debentures	-	(256.00)
	Investment in Equity Shares	(114.19)	-
	Investment in Preference share of Joint Venture entities	(403.04)	(1.71)
	Proceeds from loss of control of subsidiary	247.77	-
	Loans / Inter Corporate Deposits (ICDs) given	(18.23)	(19,975.68)
	Loans / Inter Corporate Deposits (ICDs) received back	206.40	21,365.98
	(Deposit in) / Proceeds from Fixed Deposits (net) including Margin Money Deposits	(2,882.65)	526.67
	Investment in Financial Instruments (net)	-	(64.64)
	Proceeds from Sale of Current Investments (net)	3,305.05	201.27
	Dividend Received	213.90	0.35
	Interest Received	969.16	1,461.00
	<b>Net Cash used in Investing Activities</b>	<b>(6,946.55)</b>	<b>(19,560.08)</b>



Consolidated Statement of Cash flows (Continue)		(₹ in crore)	
Sr. No.	Particulars	Year Ended	
		March 31, 2024	March 31, 2023
		Audited	Audited*
<b>C</b>	<b>Cash Flows from Financing Activities</b>		
	Proceeds from Non-Current Borrowings	1,929.75	7,445.87
	Repayment of Non-Current Borrowings	(5,583.81)	(1,710.69)
	Repayment of Current Borrowings (net)	(474.97)	(5,389.83)
	Payment for acquisition of non-controlling stake	-	(25.02)
	Proceeds from Issue of Equity Shares to Non-Controlling Interest	235.16	945.50
	Interest & Finance Charges Paid	(2,808.51)	(2,371.00)
	Repayment of Lease Liabilities	(47.53)	(53.01)
	Gain/(Loss) on settlement of Derivative Contracts (net)	29.48	(482.71)
	Payment of Dividend on Equity and Preference Shares	(1,079.68)	(1,092.91)
	<b>Net Cash used in Financing Activities</b>	<b>(7,800.11)</b>	<b>(2,733.80)</b>
<b>D</b>	<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	270.92	(10,394.38)
<b>E</b>	<b>Cash and Cash Equivalents at the Beginning of the year#</b>	1,125.82	8,676.05
<b>F</b>	<b>Cash and Cash Equivalents on acquisition of subsidiaries</b>	178.99	3,057.66
<b>G</b>	<b>Net movement relating to Assets Classified as held for sale</b>	-	(213.51)
<b>H</b>	<b>Cash and Cash Equivalents at the End of the year</b>	<b>1,575.73</b>	<b>1,125.82</b>

\*Restated (refer note 6(ii))

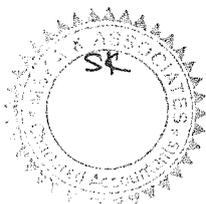
# Cash and Cash Equivalents as on March 31, 2024 includes amount of ₹ Nil (As at March 31, 2023 ₹ 4.71 crore) pertaining to Asset Classified as held for sale.

**Notes :**

- The aforesaid consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 02, 2024.
- The Secured Non-Convertible Debentures of the Company aggregating to ₹ 7,252 crore as on March 31, 2024 (₹ 8,352 crore as on March 31, 2023) are secured by way of first ranking pari passu charge on certain, identified property, plant and equipment, intangible assets and financial assets of the Company and its certain Subsidiaries. The asset cover for the Secured Non-Convertible Debentures, as of March 31, 2024, exceeds hundred percent of the requirement stated in the Debenture Documents for both principal and interest payments.
- Consolidated Segment wise Revenue, Results, Assets and Liabilities :

(₹ in crore)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Unaudited (Refer Note 18)	Unaudited	Unaudited* (Refer Note 18)	Audited	Audited*
<b>i</b>	<b>Segment Income</b>					
	a. Port and SEZ activities	6,283.86	6,358.03	5,330.40	24,276.02	19,016.51
	b. Others	665.05	623.45	515.94	2,640.81	2,014.63
	<b>Sub-Total</b>	<b>6,948.91</b>	<b>6,981.48</b>	<b>5,846.34</b>	<b>26,916.83</b>	<b>21,031.14</b>
	Less: Inter Segment Revenue	52.41	61.38	49.49	206.27	179.23
	<b>Total</b>	<b>6,896.50</b>	<b>6,920.10</b>	<b>5,796.85</b>	<b>26,710.56</b>	<b>20,851.91</b>
<b>ii</b>	<b>Segment Results</b>					
	a. Port and SEZ activities	3,138.04	3,130.85	3,207.51	12,134.53	10,115.98
	b. Others	(18.54)	42.22	(9.61)	93.43	158.86
	<b>Sub-Total</b>	<b>3,119.50</b>	<b>3,173.07</b>	<b>3,197.90</b>	<b>12,227.96</b>	<b>10,274.84</b>
	Less: Finance Costs (Excluding Foreign Exchange)	604.27	975.88	622.56	2,732.94	2,362.64
	Add: Interest Income	201.91	252.83	229.44	860.19	1,246.28
	Add: Other unallocable Income / (Expenditure) (Net)	(2.46)	291.31	(614.17)	112.22	(2,398.21)
	<b>Profit before exceptional items and tax</b>	<b>2,714.68</b>	<b>2,741.33</b>	<b>2,190.61</b>	<b>10,467.43</b>	<b>6,760.27</b>
	Exceptional items	(373.70)	-	(1,273.38)	(373.70)	(1,273.38)
	<b>Profit before tax</b>	<b>2,340.98</b>	<b>2,741.33</b>	<b>917.23</b>	<b>10,093.73</b>	<b>5,486.89</b>
<b>iii</b>	<b>Segment Assets</b>					
	a. Port and SEZ activities	83,611.26	81,519.26	77,790.13	83,611.26	77,790.13
	b. Others	17,246.57	17,561.92	13,112.57	17,246.57	13,112.57
	<b>Sub-Total</b>	<b>1,00,857.83</b>	<b>99,081.18</b>	<b>90,902.70</b>	<b>1,00,857.83</b>	<b>90,902.70</b>
	c. Unallocable	17,873.29	17,204.73	21,919.13	17,873.29	21,919.13
		<b>1,18,731.12</b>	<b>1,16,285.91</b>	<b>1,12,821.83</b>	<b>1,18,731.12</b>	<b>1,12,821.83</b>
	Assets Held For Sale	186.75	186.75	1,941.26	186.75	1,941.26
	<b>Total Assets</b>	<b>1,18,917.87</b>	<b>1,16,472.66</b>	<b>1,14,763.09</b>	<b>1,18,917.87</b>	<b>1,14,763.09</b>



Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Unaudited (Refer Note 18)	Unaudited	Unaudited* (Refer Note 18)	Audited	Audited*
<b>iv</b>	<b>Segment Liabilities</b>					
	a. Port and SEZ activities	11,803.43	10,580.58	9,910.54	11,803.43	9,910.54
	b. Others	1,335.82	1,268.52	1,346.05	1,335.82	1,346.05
	<b>Sub-Total</b>	<b>13,139.25</b>	<b>11,849.10</b>	<b>11,256.59</b>	<b>13,139.25</b>	<b>11,256.59</b>
	c. Unallocable	51,188.07	52,071.96	55,068.06	51,188.07	55,068.06
		<b>64,327.32</b>	<b>63,921.06</b>	<b>66,324.65</b>	<b>64,327.32</b>	<b>66,324.65</b>
	Liabilities associated with Assets Held for Sale	47.55	47.55	1,521.46	47.55	1,521.46
	<b>Total Liabilities</b>	<b>64,374.87</b>	<b>63,968.61</b>	<b>67,846.11</b>	<b>64,374.87</b>	<b>67,846.11</b>

\*Restated (refer note 6(ii))

a. Port and SEZ activities includes developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure at contiguous Special Economic Zone.  
b. Others in the segment information represents mainly logistics and transportation business.

## 4 Disclosure as required by Regulation 52 of Listing Obligations and Disclosure Requirements

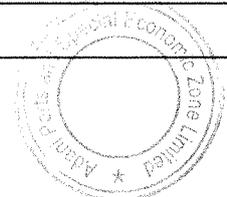
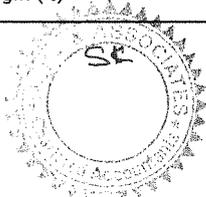
Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Unaudited (Refer Note 18)	Unaudited	Unaudited* (Refer Note 18)	Audited	Audited*
1	Outstanding redeemable preference shares (Quantity No.)	25,01,824	25,01,824	25,01,824	25,01,824	25,01,824
2	Outstanding redeemable preference shares (₹ in crore)	2.50	2.50	2.50	2.50	2.50
3	Debenture redemption reserve (₹ in crore)	727.07	785.40	701.45	727.07	701.45
4	Capital redemption reserve (₹ in crore)	7.84	7.84	7.84	7.84	7.84
5	Net worth	54,543.00	52,504.05	46,916.98	54,543.00	46,916.98
	<u>Ratios (refer note (a) below)</u>					
6	Debt Equity Ratio	0.87	0.92	1.09	0.87	1.09
7	Debt Service Coverage Ratio	5.18	5.64	3.62	5.38	5.09
8	Interest Service Coverage Ratio	5.31	5.73	3.69	5.47	5.20
9	Current Ratio	1.05	1.20	1.42	1.05	1.42
10	Long Term Debt to Working Capital	4.50	4.78	5.96	4.50	5.96
11	Bad debts to Account receivable ratio	-	-	-	-	-
12	Current liability ratio	0.25	0.22	0.16	0.25	0.16
13	Total Debts to Total assets	0.39	0.40	0.43	0.39	0.43
14	Debtors Turnover (annualised)	7.40	7.82	7.94	7.71	7.61
15	Inventory Turnover	NA	NA	NA	NA	NA
16	Operating margin (%)	59%	60%	56%	59%	62%
17	Net profit margin (%)	29%	32%	20%	30%	26%

\*Restated (refer note 6(ii))

**Note: (a)**

Formulae for computation of ratios are as follows:

Sr. No.	Ratio	Formulae
1	Debt Equity Ratio	Total Debt / Shareholder's Equity
2	Debt Service Coverage Ratio	Earnings available for debt service (PAT + Interest cost + Foreign Exchange Loss or (Gain) (net) + Depreciation) / Debt Service ( Interest cost & lease payments + repayment of scheduled non current debt made during the period excluding refinanced loans)
3	Interest Service Coverage Ratio	Earnings available for debt service (PAT + Interest cost+ Foreign Exchange Loss or (Gain) (net)+Depreciation) / Interest Cost
4	Current Ratio	Current Assets / Current Liabilities
5	Long term debt to working capital	Non Current Debt + Current Maturities of Non Current Debt ("CM") / Current Assets (incl. Bank Deposits having maturity more than 1 year) - Current Liabilities (excl. CM)
6	Bad debts to Account receivable	Bad Debt / Average Trade receivable
7	Current liability Ratio	Current Liabilities / Total Liabilities
8	Total debts to total assets	Total Borrowings / Total Assets
9	Debtors turnover (Annualised)	Revenue from operations / Average Accounts Receivable
10	Inventory turnover	NA
11	Operating margin (%)	EBITDA / Revenue from Operations (EBITDA = Revenue from operations - Operating Expenses - Employee Benefits Expense- Other Expense)
12	Net profit margin (%)	Profit After Tax / Revenue from Operations



- 5 Adani Vizhinjam Port Private Limited ("AVPPL"), a wholly owned subsidiary of the Company was awarded Concession Agreement ("CA") dated August 17, 2015 by Government of Kerala ("GoK") for development of Vizhinjam International Deepwater Multipurpose Seaport ("Project"). In terms of the CA the scheduled Commercial Operation Date ("COD") of the Project was December 03, 2019 extendable to August 30, 2020 with certain conditions. On February 23, 2024, settlement agreement was signed wherein both parties decided to move out of arbitration which was initiated on November 07, 2020. GoK has granted unconditional extension of the scheduled completion date up to December 03, 2024.
- 6 (i) On March 31, 2023, The National Company Law Tribunal ("NCLT") has passed the order approving the Company ("APSEZ") to be successful resolution applicant for Karaikal Port Private Limited ("KPPL") under Corporate Insolvency Resolution Process ("CIRP") with equity of ₹ 1 crore and debt of ₹ 1,485 crore.
- During the quarter ended June 30, 2023, subsequent to the formulation of new board of directors, the Company has exercised control over the KPPL and accordingly KPPL has been consolidated in the financial results w.e.f. April 04, 2023.
- The Group has concluded final determination of fair values of identified assets and liabilities for the purpose of purchase price allocation and based on the final fair valuation report of external independent expert, the Group has recorded capital reserve of ₹ 398.39 crore on acquisition.
- (ii) During the previous year, Mediterranean International Ports A.D.G.D Limited, a subsidiary of the Company with 70% controlling stake, has concluded the acquisition of Haifa Port Company Limited for a consideration of ILS 3,975 Millions from the Government of Israel which operates Haifa Port in Israel.
- The Group has concluded final determination of fair values of identified assets and liabilities for the purpose of Purchase Price Allocation and based on the final fair valuation report of external independent expert, the Group has recorded Goodwill of ₹ 118.26 crore on acquisition and consequently the Group has restated the reported results of previous periods.

The reconciliation of the reported and restated results of above schemes are as below:-

**Financial Results**

(₹ in crore)

Particulars	Quarter Ended		Year Ended	
	March 31, 2023		March 31, 2023	
	Reported	Restated	Reported	Restated
Revenue from Operations	5,796.85	5,796.85	20,851.91	20,851.91
Profit Before Tax	919.47	917.23	5,489.13	5,486.89
Profit After Tax	1,140.97	1,139.07	5,392.75	5,390.85
Total Comprehensive Income	1,295.75	1,267.52	4,861.75	4,833.52

**Balance Sheet**

(₹ in crore)

Particulars	As at	
	March 31, 2023	
	Reported	Restated
(i) Non-Current Assets	97,457.61	97,166.70
(ii) Current Assets	17,447.52	17,596.39
<b>Total Assets</b>	<b>1,14,905.13</b>	<b>1,14,763.09</b>
(i) Total Equity	46,922.09	46,916.98
(ii) Non-Current Liabilities	55,058.48	55,315.99
(iii) Current Liabilities	12,924.56	12,530.12
<b>Total Equity and Liabilities</b>	<b>1,14,905.13</b>	<b>1,14,763.09</b>

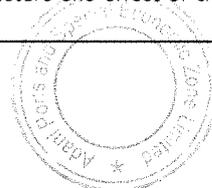
**Statement of Cash Flows**

(₹ in crore)

Particulars	Year Ended	
	March 31, 2023	
	Reported	Restated
Net Cash generated from Operating Activities	11,933.25	11,899.50
Net Cash used in Investing Activities	(19,603.60)	(19,560.08)
Net Cash generated used in Financing Activities	(2,733.80)	(2,733.80)

Considering the above, the results of current periods are not comparable with those of the corresponding previous year periods.

- 7 During the quarter, Poseidon Leasing IFSC Limited has been incorporated as a step down subsidiary of the Company.
- 8 Effective from July 01, 2022, the Group, in line with its updated risk management approach, has designated highly probable foreign currency forecasted revenues as hedge item and non-derivative foreign currency financial liability of equivalent amount as hedging instrument under Cash Flow Hedge relationship. The amount parked in Other Comprehensive Income will be recycled to the Statement of Profit and loss as and when the underlying forecasted transactions occur. Gain/(loss) on foreign currency fluctuation on undesignated portion of foreign currency financial liabilities, ineffective portion of hedge and recycled amount from Other Comprehensive Income are recognised in Statement of Profit and Loss.
- 9 During the previous financial year 2022-23, a Short Seller Report ("SSR") was published in which certain allegations were made 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 on 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 SSR. 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.
- During the year, show cause notices were received from SEBI alleging (i) non-compliance of provisions pertaining to related party transactions under applicable regulations including the Listing Agreement and LODR Regulations with regard to the transactions entered in the earlier years with certain parties, essentially, from a substance-over-form perspective. The allegations are that the company has not obtained the requisite approvals, and have not made the required disclosure in the financial statements / annual report (ii) Not recalling security deposits against terminated contracts leading to not using the funds for company's core business purposes and thus not complying with the company's code of conduct.
- The amounts dues in respect of these transactions along with interest thereon have been received in full before 31st March 2023 and there are no transactions with these parties in the current financial year and there are no losses suffered by the Company.
- In April 2023, the Company had obtained a legal opinion by an independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Group, under applicable frameworks; and (b) the Group is in compliance with the requirements of applicable laws and regulations.
- In its replies to SEBI, the Company has denied the charges in its entirety, inter alia, on the basis that these transactions are in full compliance with the prevailing laws and regulations.
- Pending outcome of the adjudications, the Company holds to its view of the validity of the nature and effect of the transactions. Accordingly, no adjustments have been made in the financial statements of the Company.



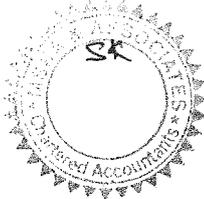
- 10 (i) Exceptional items during the quarter and year ended March 31, 2024 includes following:-  
 (a) Expenses of ₹ 215.90 crore incurred with regards to one time settlement (Voluntary Retirement Plan) opted by employees of one of the foreign subsidiaries.  
 (b) Reclassification adjustment pertaining to transfer of foreign currency translation reserve amounting to ₹ 157.80 crore from other comprehensive income to profit and loss account as per requirement of Ind AS framework.
- (ii) During the quarter ended June 30, 2023, in line with guidance from the risk management committee and continued US Sanctions in Myanmar, the Group divested its investment in container terminal under construction in Myanmar (held through an overseas subsidiary) to Solar Energy Limited, an unrelated party (During the current quarter ended March 31, 2024, the Group has also opted an independent expert opinion confirming the same) for consideration of US\$ 30 million and consequently the overseas subsidiary as referred above ceased to be the subsidiary of the company. The Group has recorded write off on sale of investment against impairment provision of ₹ 1,273.38 crore in the previous financial year 2022-23.
- 11 The Group effectively owns 70% stake of the Haifa Port, Israel and is closely monitoring the ongoing war situation which is now only restricted to a concentrated area. Further the Group is not having any adverse implications on the operations as on the date of release of the financial results.
- 12 Under the new tax regime, Section 115BBA of the Income Tax Act 1961, a Company can elect to switch to the lower tax rate of 22% plus applicable surcharge and cess as against 30% plus applicable surcharge and cess in the existing regime.  
 A subsidiary Company has elected to adopt New Tax Regime from financial year 2022-23 onwards considering the recent management estimation of the taxable profit in future. Upon adoption of New Tax Regime w.e.f. financial year 2022-23, the MAT credit balance (which is not eligible to be carried forward in terms of the New Tax regime) of ₹ 455.16 Crore (Net of tax provision of ₹ 135.41 crore), for periods up to March 31, 2023, has been expensed and net impact of the above is shown as exceptional tax expense in the current year.
- 13 The Company has entered into Share Purchase Agreement on December 14, 2023 with Mundi Limited, a subsidiary of Terminal Investment Limited and associate of Mediterranean Shipping Company for divestment of 49% stake in Adani Ennore Container Terminal Private Limited a subsidiary of the Company for consideration of ₹ 247 crore. The divestment will be accounted on fulfillment of condition precedents.
- 14 The Company has entered into a binding agreement to acquire 95% stake of Gopalpur Port Limited with an enterprise value of ₹ 3,080 crore subject to requisite approvals and conditions precedents.
- 15 Company has raised ₹ 500 crore on January 9, 2024 by allotment of 50,000 Rated, Secured, Listed, Redeemable, Non-Convertible Debentures (NCDs) of the face value of ₹ 1,00,000 each on private placement basis.
- 16 Subsequent to the reporting date, the Board of Directors of the Company has recommended Equity dividend of ₹ 6 per equity share (previous year ₹ 5 per equity share) on 2,16,01,38,945 equity shares.
- 17 Key Numbers of Standalone Financial Results of the Company are as under :

(₹ in crore)

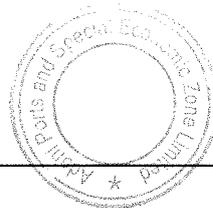
Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Unaudited			Audited	
i	Revenue from Operations	1,963.59	1,886.67	1,383.82	6,806.66	5,237.15
ii	Profit/(Loss) Before Tax	826.47	809.58	(3.69)	2,531.92	(1,028.23)
iii	Profit/(Loss) After Tax	622.90	525.49	191.85	1,738.35	(479.43)

The Standalone Financial results are available at the Company's website [www.adaniports.com](http://www.adaniports.com) and on the website of the stock exchanges [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

- 18 The figures of the last quarters are the balancing figures between audited figures in respect of the full financial year upto March 31, 2024 and March 31, 2023 and unaudited published year-to-date figures upto December 31, 2023 and December 31, 2022 respectively, being the date of the end of third quarter of the respective financial year which were subject to limited review.



Place : Ahmedabad  
 Date : May 02, 2024



For and on behalf of the Board of Directors

*Gautam S. Adani*  
 Gautam S. Adani  
 Chairman

*AMS*

**Independent Auditor's Report on Standalone Audited Annual Financial Results of Adani Ports and Special Economic Zone Limited pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.**

**To the Board of Directors of Adani Ports and Special Economic Zone Limited**

**Report on the Audit of Standalone Financial Results**

**Qualified Opinion**

We have audited the accompanying statement of standalone annual financial results of Adani Ports and Special Economic Zone Limited (hereinafter referred to as 'the Company') for the year ended March 31, 2024 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of branch auditor on the separate audited financial information of one branch, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Statement:

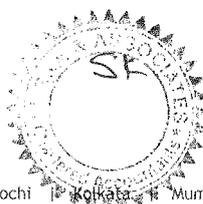
- (i) is presented in accordance with the requirements of the Listing Regulations in this regard; and
- (ii) gives a true and fair view, in conformity with the recognition and measurement principles laid down the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") as amended, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the net profit, and other comprehensive income and other financial information of the Company for the year ended March 31, 2024.

**Basis for Qualified Opinion**

- a) Our standalone audit report on the Statement for the year ended March 31, 2024 was qualified in respect of the matter stated below:

As described in Note 8 to the Statement, pending outcome of the Securities and Exchange Board of India's ("SEBI") investigations, we are unable to comment on the possible consequential effect thereof on any of the periods presented in the Statement and whether the Company has complied with any applicable laws and regulations.

The erstwhile auditors' audit opinion for the year ended March 31, 2023 and our review conclusion for the quarter ended December 31, 2023, were also modified for the above matter.



# MSKA & Associates

Chartered Accountants

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and other auditor(s) in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

## Management and Board of Directors' Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the net profit, and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, issued thereunder and other accounting principles generally accepted in India and is in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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 financial reporting process of the Company.

## Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this Statement.



# MSKA & Associates

Chartered Accountants

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 Statement, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 ability of the Company 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 Statement 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## Other Matters

1. The Statement includes the audited financial information of 1 branch, whose financial information reflect total assets of ₹ 11.54 crores as at March 31, 2024, and total revenues of ₹ 13.29 crores, for the period from April 01, 2023 to March 31, 2024 respectively, as considered in the Statement. The financial information of this branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.



# MSKA & Associates

Chartered Accountants

This branch is located outside India whose, financial information has been prepared in accordance with the accounting principles generally accepted in their respective country and which has been audited by branch auditor under generally accepted auditing standards applicable in their respective country. The Company's Management has converted the financial information of such branch located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India.

These conversion adjustments have not been audited by their auditor. Our opinion on the Statement, in so far as it relates to the financial information of such branch located outside India, is based on the report of branch auditor and the conversion adjustments prepared by the Management of the Company. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Company.

2. The Statement of the Company for the year ended March 31, 2023 was audited by another auditor. They had modified their report dated May 30, 2023 with respect to matter as described In Basis for Qualification Opinion section above.
3. The Statement includes the results for the quarter ended March 31, 2024, being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our opinion is not modified in respect of the above matters.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

*Samip K. Shah*

**Samip Shah**  
Partner  
Membership No. 128531



**UDIN: 24128531BKFFVA2039**

Place: Ahmedabad  
Date: May 02, 2024

**Adani Ports and Special Economic Zone Limited**

Registered Office : Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad-382421

CIN : L63090GJ1998PLC034182

Phone : 079-26565555, Fax 079-25555500, E-mail : investor.apsezl@adani.com, Web site : www.adaniports.com

**adani**

 Ports and  
Logistics

**STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

(₹ in crore)

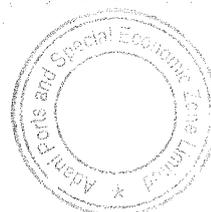
Sr No	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Unaudited (refer note 14)	Unaudited	Unaudited (refer note 14)	Audited	Audited
1	<b>Income</b>					
	a. Revenue from Operations	1,963.59	1,886.67	1,383.82	6,806.66	5,237.15
	b. Other Income	523.75	587.51	1,458.58	1,977.36	2,998.79
	<b>Total Income</b>	<b>2,487.34</b>	<b>2,474.18</b>	<b>2,842.40</b>	<b>8,784.02</b>	<b>8,235.94</b>
2	<b>Expenses</b>					
	a. Operating Expenses	452.52	388.93	301.28	1,398.84	1,119.91
	b. Employee Benefits Expense	109.53	65.76	86.93	332.93	294.70
	c. Finance Costs					
	- Interest and Bank Charges	697.32	698.17	742.92	2,766.78	2,769.50
	- Derivative (Gain)/Loss (net)	(30.62)	96.14	1.45	(3.80)	(89.11)
	- Foreign Exchange Loss/(Gain) (net)	64.77	60.36	(203.37)	451.49	2,446.14
	d. Depreciation and Amortisation Expense	162.44	167.51	152.50	655.59	612.98
	e. Other Expenses	204.91	187.73	206.22	650.27	551.89
	<b>Total Expenses</b>	<b>1,660.87</b>	<b>1,664.60</b>	<b>1,287.93</b>	<b>6,252.10</b>	<b>7,706.01</b>
3	<b>Profit before exceptional item and tax (1-2)</b>	<b>826.47</b>	<b>809.58</b>	<b>1,554.47</b>	<b>2,531.92</b>	<b>529.93</b>
4	Exceptional item (refer note 7)	-	-	(1,558.16)	-	(1,558.16)
5	<b>Profit/(Loss) before Tax (3+4)</b>	<b>826.47</b>	<b>809.58</b>	<b>(3.69)</b>	<b>2,531.92</b>	<b>(1,028.23)</b>
6	<b>Tax Expense (net)</b>	<b>203.57</b>	<b>284.09</b>	<b>(195.54)</b>	<b>793.57</b>	<b>(548.80)</b>
	- Current Tax	143.72	30.98	17.67	178.39	46.12
	- Deferred Tax	59.85	253.11	(213.21)	615.18	(594.92)
7	<b>Profit/(Loss) for the period / year (5-6)</b>	<b>622.90</b>	<b>525.49</b>	<b>191.85</b>	<b>1,738.35</b>	<b>(479.43)</b>
8	<b>Other Comprehensive Income</b>					
	<b>Items that will not be reclassified to profit or loss :</b>					
	-Re-measurement (Loss)/Gain on defined benefit plans (net of tax)	(0.86)	0.70	(1.75)	1.27	(0.59)
	-Net (Loss)/Gain on FVTOCI Equity Securities (net of tax)	(8.08)	-	7.16	(8.08)	7.16
	<b>Total Other Comprehensive (Loss)/Income (net of tax)</b>	<b>(8.94)</b>	<b>0.70</b>	<b>5.41</b>	<b>(6.81)</b>	<b>6.57</b>
9	<b>Total Comprehensive Income/(Loss) for the period / year (7+8)</b>	<b>613.96</b>	<b>526.19</b>	<b>197.26</b>	<b>1,731.54</b>	<b>(472.86)</b>
10	Paid-up Equity Share Capital (Face Value of ₹ 2 each)	432.03	432.03	432.03	432.03	432.03
11	Other Equity excluding revaluation reserve as at 31 <sup>st</sup> March				28,922.13	28,270.66
12	Earnings per Share (Face Value of ₹ 2 each) Basic and Diluted (in ₹) (Not Annualised for the quarter)	2.88	2.43	0.89	8.05	(2.22)
<b>Disclosure as required by Regulation 52 of Listing Obligations and Disclosure Requirements</b>						
13	Outstanding redeemable preference shares (Quantity No.)	2,501,824	2,501,824	2,501,824	2,501,824	2,501,824
14	Outstanding redeemable preference shares (₹ in crore)	2.50	2.50	2.50	2.50	2.50
15	Debenture redemption reserve (₹ in crore)	727.07	785.40	701.45	727.07	701.45
16	Capital redemption reserve (₹ in crore)	7.84	7.84	7.84	7.84	7.84
17	Net worth	29,354.16	28,740.20	28,702.69	29,354.16	28,702.69
	<b>Ratios (refer note 3)</b>					
18	Debt Equity Ratio	1.69	1.62	1.65	1.69	1.65
19	Debt Service Coverage Ratio	2.22	2.08	1.19	2.03	1.93
20	Interest Service Coverage Ratio	2.22	2.09	1.19	2.03	1.94
21	Current Ratio	0.83	0.61	1.04	0.83	1.04
22	Long Term Debt to Working Capital	14.79	221.87	24.54	14.79	24.54
23	Bad debts to Account receivable ratio	-	-	-	-	-
24	Current liability ratio	0.17	0.21	0.12	0.17	0.12
25	Total Debts to Total assets	0.60	0.59	0.59	0.60	0.59
26	Debtors Turnover (annualised)	7.82	11.60	6.01	6.02	5.54
27	Inventory Turnover	NA	NA	NA	NA	NA
28	Operating margin (%)	60.94%	65.95%	57.04%	65.00%	62.45%
29	Net profit margin (%)	31.72%	27.85%	13.86%	25.54%	(9.15%)



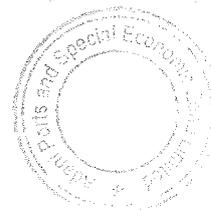
## Balance Sheet

(₹ in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	9,672.56	9,734.44
Right-of-Use assets	263.04	344.25
Capital Work-in-Progress	809.50	637.71
Goodwill	44.86	44.86
Other Intangible Assets	60.63	66.18
<b>Financial Assets</b>		
Investments	46,022.24	44,810.74
Loans	13,155.06	10,200.06
Other Financial Assets		
- Bank Deposits having maturity over twelve months	0.20	0.81
- Other Financial Assets other than above	3,124.63	3,330.89
Deferred Tax Assets (net)	654.88	1,280.05
Other Non-Current Assets	1,307.30	2,496.94
	<b>75,114.90</b>	<b>72,946.93</b>
<b>Current Assets</b>		
Inventories	87.77	79.11
<b>Financial Assets</b>		
Investments	102.82	1,161.98
Trade Receivables	1,242.55	1,017.09
Customers' Bill Discounted	-	257.05
Cash and Cash Equivalents	346.77	65.44
Bank Balances other than Cash and Cash Equivalents	3,407.86	1,964.73
Loans	1,128.63	693.52
Other Financial Assets	1,006.31	1,012.15
Other Current Assets	317.80	333.25
	<b>7,640.51</b>	<b>6,584.32</b>
<b>Assets Held for Sale</b>	-	194.76
<b>Total Assets</b>	<b>82,755.41</b>	<b>79,726.01</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	432.03	432.03
Other Equity	28,922.13	28,270.66
<b>Total Equity</b>	<b>29,354.16</b>	<b>28,702.69</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	43,676.90	44,061.70
Lease Liabilities	99.33	123.33
Other Financial Liabilities	39.15	47.04
Provisions	6.27	11.58
Other Non-Current Liabilities	393.50	456.96
	<b>44,215.15</b>	<b>44,700.61</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	6,025.40	3,203.73
Customers' Bill Discounted	-	257.05
Lease Liabilities	5.29	5.36
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	31.63	15.98
- total outstanding dues of creditors other than micro enterprises and small enterprises	467.62	562.81
Other Financial Liabilities	1,533.75	1,178.93
Other Current Liabilities	1,101.78	1,076.90
Provisions	20.63	21.95
	<b>9,186.10</b>	<b>6,322.71</b>
<b>Total Liabilities</b>	<b>53,401.25</b>	<b>51,023.32</b>
<b>Total Equity and Liabilities</b>	<b>82,755.41</b>	<b>79,726.01</b>



Statement of Cash Flows		(₹ in crore)	
Sr No	Particulars	Year Ended	
		March 31, 2024 (Audited)	March 31, 2023 (Audited)
<b>A.</b>	<b>Cash Flows from Operating Activities</b>		
	Net Profit/(Loss) before Tax	2,531.92	(1,028.23)
	Adjustments for :		
	Depreciation and Amortisation Expense	655.59	612.98
	Unclaimed Liabilities / Excess Provision Written Back	(22.25)	(0.86)
	Cost of assets transferred under Finance Lease	0.19	3.67
	Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(63.27)	(63.01)
	Gain on fair valuation of Financial Instruments	(5.31)	(7.49)
	Financial Guarantees Income	(11.14)	(8.54)
	Amortisation of Government Grant	(0.09)	(0.10)
	Finance Costs	2,766.78	2,769.50
	Derivative Gain (net)	(3.80)	(89.11)
	Effect of exchange rate change	445.74	2,330.29
	Allowance for Doubtful Inter Corporate Deposits (net), Interest and Investment	-	1,558.16
	Interest Income	(1,565.89)	(1,878.82)
	Dividend Income	(209.46)	(1,010.19)
	Net gain on sale of Current Investment	(0.18)	(10.91)
	Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
	(Gain)/Loss on Sale / Discard of Property, Plant and Equipment (net)	(0.89)	0.62
	<b>Operating Profit before Working Capital Changes</b>	<b>4,519.66</b>	<b>3,179.68</b>
	Adjustments for :		
	Increase in Trade Receivables	(225.46)	(143.20)
	(Increase)/Decrease in Inventories	(8.66)	0.22
	Increase in Financial Assets	(327.33)	(335.65)
	Decrease/(Increase) in Other Assets	22.20	(123.00)
	(Decrease)/Increase in Provisions	(4.67)	7.58
	(Decrease) /Increase in Trade Payables	(79.39)	118.67
	Decrease in Financial Liabilities	(8.96)	(153.35)
	Increase in Other Liabilities	24.89	40.34
	<b>Cash Generated from Operations</b>	<b>3,912.28</b>	<b>2,591.29</b>
	Direct Taxes (Paid)/Refund (Net)	(169.12)	122.74
	<b>Net Cash Generated from Operating Activities (A)</b>	<b>3,743.16</b>	<b>2,714.03</b>
<b>B.</b>	<b>Cash Flows from Investing Activities</b>		
	Purchase of Property, Plant and Equipment (Including capital work-in-progress, other Intangible assets, capital advances and capital creditors)	(608.38)	(2,539.42)
	Proceeds from Sale of Property, Plant and Equipment	1.78	0.92
	Investments made in Subsidiaries/Joint Ventures/Others	(4,504.84)	(8,620.85)
	Redemption of Investment in Subsidiary	2,731.00	1,000.00
	Refund of deposit / Capital Advance given against Capital Commitments	1,817.43	777.00
	Loans / Inter Corporate Deposits (ICDs) given	(12,633.18)	(24,975.27)
	Loans / Inter Corporate Deposits (ICDs) received back	9,861.16	24,970.10
	(Deposits in)/Redemption of Deposit from Bank (net) (including margin money deposits)	(1,442.52)	1,368.16
	Redemption of Financial Instruments (net)	1,131.73	-
	Proceeds from Divestment Business Undertaking	-	1,461.00
	(Investment in) /Proceeds from sale of Current Investments (net)	(27.12)	10.91
	Dividend Received	209.46	1,010.19
	Interest Received	1,469.57	1,512.28
	<b>Net Cash Used in Investing Activities (B)</b>	<b>(1,993.91)</b>	<b>(4,024.98)</b>

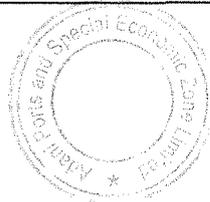


Sr No	Particulars	Year Ended	
		March 31, 2024 (Audited)	March 31, 2023 (Audited)
<b>C.</b>	<b>Cash Flows from Financing Activities</b>		
	Proceeds from Non-Current Borrowings	12,114.79	12,895.27
	Repayment of Non-Current Borrowings	(10,063.12)	(10,095.06)
	Repayment of Current Borrowings (net)	(55.50)	(2,690.00)
	Interest & Finance Charges Paid	(2,368.71)	(2,588.99)
	Repayment of lease liabilities	(4.82)	(4.90)
	(Loss)/Gain on settlement / cancellation of derivative contracts	(10.88)	87.78
	Payment of Dividend on Equity and Preference Shares	(1,079.68)	(1,055.75)
	<b>Net Cash used in Financing Activities (C)</b>	<b>(1,467.92)</b>	<b>(3,451.65)</b>
<b>D.</b>	<b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>281.33</b>	<b>(4,762.60)</b>
<b>E.</b>	<b>Cash and Cash Equivalents at the Beginning of the Year</b>	65.44	4,828.04
<b>F.</b>	<b>Cash and Cash Equivalents at the End of the Year</b>	346.77	65.44

**Notes :**

- The aforesaid standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 02, 2024.
- The Secured Non-Convertible Debentures of the Company aggregating to ₹ 7,252 crore as on March 31, 2024 (₹ 8,352 crore as on March 31, 2023) are secured by way of first ranking pari passu charge on certain, identified property, plant and equipment, intangible assets and financial assets of the Company and its certain Subsidiaries. The asset cover for the Secured Non-Convertible Debentures, as of March 31, 2024, exceeds hundred percent of the requirement stated in the Debenture Documents for both principal and interest payments.
- Formulae for computation of ratios are as follows

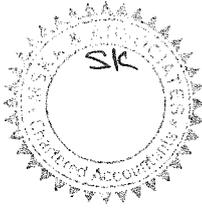
Sr No.	Ratio	Formulae
1	Debt Equity Ratio	Total Debt / Shareholder's Equity
2	Debt Service Coverage Ratio	Earnings available for debt service (PAT + Interest cost + Foreign Exchange Loss or (Gain) (net) + Depreciation) / Debt Service ( Interest cost & lease payments + repayment of scheduled non current debt made during the period excluding refinanced loans)
3	Interest Service Coverage Ratio	Earnings available for debt service (PAT + Interest cost+ Foreign Exchange Loss or (Gain) (net) +Depreciation) / Interest Cost
4	Current Ratio	Current Assets / Current Liabilities
5	Long term debt to working capital	Non Current Debt + Current Maturities of Non Current Debt ("CM") / Current Assets (incl. Bank Deposits having maturity more than one year) - Current Liabilities (excl. CM)
6	Bad debts to Account receivable	Bad Debt / Average Trade receivable
7	Current liability Ratio	Current Liabilities / Total Liabilities
8	Total debts to total assets	Total Borrowings / Total Assets
9	Debtors turnover (Annualised)	Revenue from operations / Average Accounts Receivable
10	Inventory turnover	NA
11	Operating margin (%)	EBITDA / Revenue from Operations (EBITDA = Revenue from operations - Operating Expenses - Employee Benefits Expense- Other Expenses)
12	Net profit margin (%)	Profit After Tax / Revenue from Operations



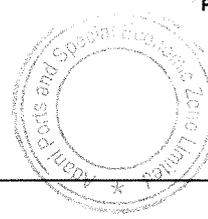
- 4 The Company is in compliance with the requirements of the Chapter XII of SEBI operational circular dated August 10, 2021 (as amended from time to time) applicable to Large Corporate Borrowers.
- 5 Adani Vizhinjam Port Private Limited ("AVPPL"), a wholly owned subsidiary of the Company was awarded Concession Agreement ("CA") dated August 17, 2015 by Government of Kerala ("GoK") for development of Vizhinjam International Deepwater Multipurpose Seaport ("Project"). In terms of the CA the scheduled Commercial Operation Date ("COD") of the Project was December 03, 2019 extendable to August 30, 2020 with certain conditions. On February 23, 2024, settlement agreement was signed wherein both parties decided to move out of arbitration which was initiated on November 07, 2020. GoK has granted unconditional extension of the scheduled completion date up to December 03, 2024.
- 6 On March 31, 2023, The National Company Law Tribunal ("NCLT") has passed the order approving the Company ("APSEZ") to be successful resolution applicant for Karaikal Port Private Limited ("KPPL") under Corporate Insolvency Resolution Process ("CIRP") with equity of ₹ 1 crore and debt of ₹ 1,485 crore.  
During the quarter ended June 30, 2023, subsequent to the formulation of new board of directors, the Company has exercised control over the KPPL and accordingly KPPL has become wholly owned subsidiary w.e.f. April 04, 2023.
- 7 During the quarter ended June 30, 2023, in line with guidance from the risk management committee and continued US Sanctions in Myanmar, the Company divested its investment in container terminal under construction in Myanmar (held through an overseas subsidiary) to Solar Energy Limited, an unrelated party (during the quarter ended March 31, 2024, the Company has also opted an independent expert opinion confirming the same) for consideration of US\$ 30 million and consequently the overseas subsidiary as referred above ceased to be the subsidiary of the Company. The Company has recorded write off on sale of investment against impairment provision of ₹ 1,558.16 crore in the previous financial year 2022-23.
- 8 During the previous financial year 2022-23, a Short Seller Report ("SSR") was published in which certain allegations were made 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 on 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 SSR. 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.  
During the year, show cause notices were received from SEBI alleging (i) non-compliance of provisions pertaining to related party transactions under applicable regulations including the Listing Agreement and LODR Regulations with regard to the transactions entered in the earlier years with certain parties, essentially, from a substance-over-form perspective. The allegations are that the company has not obtained the requisite approvals, and have not made the required disclosure in the financial statements / annual report (ii) Not recalling security deposits against terminated contracts leading to not using the funds for company's core business purposes and thus not complying with the company's code of conduct.  
The amounts dues in respect of these transactions along with interest thereon have been received in full before March 31, 2023 and there are no transactions with these parties in the current financial year and there are no losses suffered by the Company.  
In April 2023, the Company had obtained a legal opinion by an independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Company, under applicable frameworks; and (b) the Company is in compliance with the requirements of applicable laws and regulations.  
In its replies to SEBI, the Company has denied the charges in its entirety, inter alia, on the basis that these transactions are in full compliance with the prevailing laws and regulations.  
Pending outcome of the adjudications, the Company holds to its view of the validity of the nature and effect of the transactions. Accordingly, no adjustments have been made in the financial statements of the Company.
- 9 The Company effectively owns 70% stake of the Haifa Port, Israel and is closely monitoring the ongoing war situation which is now only restricted to a concentrated area. Further the Company is not having any adverse implications on the operations as on the date of release of the financial results.
- 10 The Company has entered into Share Purchase Agreement on December 14, 2023 with Mundi Limited, a subsidiary of Terminal Investment Limited and associate of Mediterranean Shipping Company for divestment of 49% stake in Adani Ennore Container Terminal Private Limited a subsidiary of the Company for consideration of ₹ 247 crore. The divestment will be accounted on fulfillment of condition precedents.
- 11 The Company has entered into a binding agreement to acquire 95% stake of Gopalpur Port Limited with an enterprise value of ₹ 3,080 crore subject to requisite approvals and conditions precedents.
- 12 Company has raised ₹ 500 crore on January 09, 2024 by allotment of 50,000 Rated, Secured, Listed, Redeemable, Non-Convertible Debentures (NCDs) of the face value of ₹ 1,00,000 each on private placement basis.
- 13 Subsequent to the reporting date, the Board of Directors of the Company has recommended Equity dividend of ₹ 6 per equity share (previous year ₹ 5 per equity share) on 2,16,01,38,945 equity shares.



14 The figures of the last quarters are the balancing figures between audited figures in respect of the full financial year up to March 31, 2024 and March 31, 2023 and unaudited published year-to-date figures up to December 31, 2023 and December 31, 2022, respectively, being the date of the end of third quarter of the respective financial year which were subject to limited review.



Place : Ahmedabad  
Date : May 02, 2024



For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'Gautam S. Adani'.

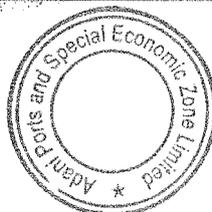
Gautam S. Adani  
Chairman

A small, handwritten mark or initials in black ink, possibly 'GSA'.

## ANNEXURE I

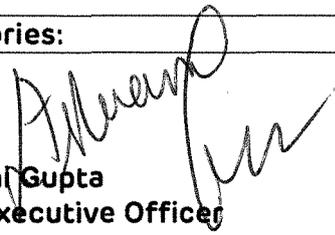
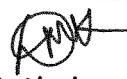
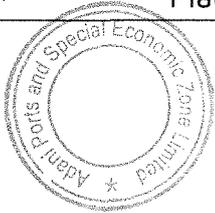
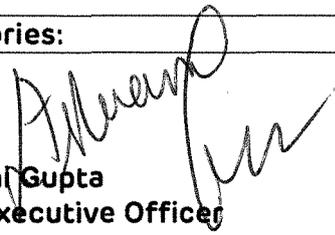
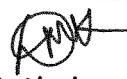
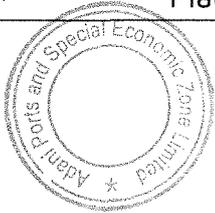
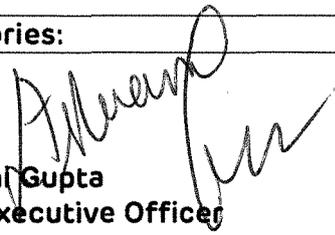
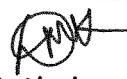
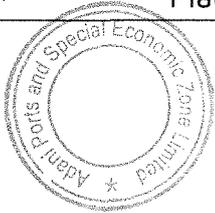
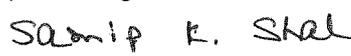
**Statement on Impact of Audit Qualifications (for audit report with modified opinion)**  
**submitted along-with Annual Audited Financial Results - (Consolidated)**  
**Statement on Impact of Audit Qualifications for the Financial year ended March**  
**31,2024 (See Regulation 33/52 of the SEBI (LODR) (Amendments) regulation ,2016)**

I	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)*
	1.	Turnover / Total income	28,209.98	28,209.98
	2.	Total Expenditure	17,580.86	17,580.86
	3.	Net Profit/(Loss) after tax	8,103.99	8,103.99
	4.	Earnings Per Share (Rs per Share)	37.55	37.55
	5.	Total Assets	1,18,917.87	1,18,917.87
	6.	Total Liabilities	64,374.87	64,374.87
	7.	Net Worth	54,543.00	54,543.00
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA
<p>*Since the qualification pertains to a matter where the auditors have been unable to quantify the impact, if any, no adjustment has been made in the table above for such qualification.</p>				
II	<p>As described in Note 9 to the Statement, pending outcome of the Securities and Exchange Board of India's ("SEBI") investigations, we are unable to comment on the possible consequential effect thereof on any of the periods presented in the Statement and whether the Company has complied with any applicable laws and regulations.</p> <p>The erstwhile auditors' audit opinion for the year ended March 31, 2023 and our review conclusion for the quarter ended December 31, 2023, were also modified for the above matter.</p>			
	<b>b. Type of Audit Qualification:</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion			
	<b>c. Frequency of qualification:</b> Included since audit report for the quarter ended March 31, 2023			



<p><b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not applicable</p>
<p><b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p>
<p>(i) <b>Management's estimation on the impact of audit qualification:</b> The impact is not quantifiable. Refer e(ii) below</p>
<p>During the previous financial year 2022-23, a Short Seller Report ("SSR") was published in which certain allegations were made 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.</p> <p>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 on 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 SSR. 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.</p> <p>During the year, show cause notices were received from SEBI alleging (i) non-compliance of provisions pertaining to related party transactions under applicable regulations including the Listing Agreement and LODR Regulations with regard to the transactions entered in the earlier years with certain parties, essentially, from a substance-over-form perspective. The allegations are that the company has not obtained the requisite approvals, and have not made the required disclosure in the financial statements / annual report (ii) Not recalling security deposits against terminated contracts leading to not using the funds for company's core business purposes and thus not complying with the company's code of conduct.</p> <p>The amounts dues in respect of these transactions along with interest thereon have been received in full before 31<sup>st</sup> March 2023 and there are no transactions with these parties in the current financial year and there are no losses suffered by the Company.</p> <p>In April 2023, the Company had obtained a legal opinion by an independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Group, under applicable frameworks; and (b) the Group is in compliance with the requirements of applicable laws and regulations.</p>



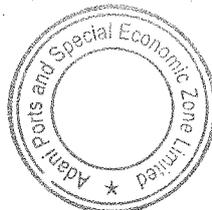
	<p>In its replies to SEBI, the Company has denied the charges in its entirety, inter alia, on the basis that these transactions are in full compliance with then prevailing laws and regulations.</p> <p>Pending outcome of the adjudications, the Company holds to its view of the validity of the nature and effect of the transactions. Accordingly, no adjustments have been made in the financial statements of the Company.</p>				
	<p><b>(iii) Auditors' Comments on (i) or (ii) above:</b> Refer II (a) above</p>				
III	<p><b>Signatories:</b></p>				
	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p> <b>Ashwanj Gupta</b> Chief Executive Officer Place: Ahmedabad</p> </td> <td style="width: 50%; vertical-align: top;"> <p> <b>G. K. Pillai</b> Chairman - Audit Committee Place: Ahmedabad</p> </td> </tr> <tr> <td style="vertical-align: top;"> <p> <b>D. Muthukumaran</b> Chief Financial Officer Place: Ahmedabad</p> </td> <td style="text-align: center; vertical-align: middle;">  </td> </tr> </table>	<p> <b>Ashwanj Gupta</b> Chief Executive Officer Place: Ahmedabad</p>	<p> <b>G. K. Pillai</b> Chairman - Audit Committee Place: Ahmedabad</p>	<p> <b>D. Muthukumaran</b> Chief Financial Officer Place: Ahmedabad</p>	
<p> <b>Ashwanj Gupta</b> Chief Executive Officer Place: Ahmedabad</p>	<p> <b>G. K. Pillai</b> Chairman - Audit Committee Place: Ahmedabad</p>				
<p> <b>D. Muthukumaran</b> Chief Financial Officer Place: Ahmedabad</p>					
	<p><b>Statutory Auditors:</b> For M S K A &amp; Associates Chartered Accountants (Firm Registration No. - 105047W)  <b>Samip Shah</b> Partner Membership No 128531 Place: Ahmedabad</p> <p><b>Date: 2<sup>th</sup> May, 2024</b></p>				

### ANNEXURE I

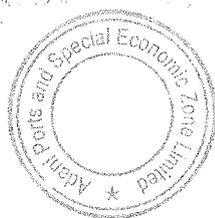
**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results - (Standalone)**

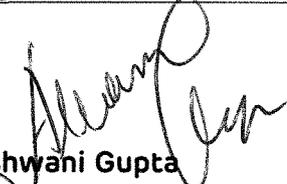
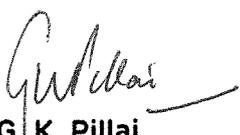
**Statement on Impact of Audit Qualifications for the Financial year ended March  
31,2024 (See Regulation 33/52 of the SEBI (LODR) (Amendments) regulation ,2016)**

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)*
	1.	Turnover / Total income	8,784.02	8,784.02
	2.	Total Expenditure	6,252.10	6,252.10
	3.	Net Profit/(Loss) after tax	1,738.35	1,738.35
	4.	Earnings Per Share (Rs per Share)	8.05	8.05
	5.	Total Assets	82,755.41	82,755.41
	6.	Total Liabilities	53,401.25	53,401.25
	7.	Net Worth	29,354.16	29,354.16
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	NA
	*Since the qualification pertains to a matter where the auditors have been unable to quantify the impact, if any, no adjustment has been made in the table above for such qualification.			
II	<b>a. <u>Audit Qualification (each audit qualification separately):</u></b>  <b>Details of Audit Qualification:</b> As described in Note 8 to the Statement, pending outcome of the Securities and Exchange Board of India's ("SEBI") investigations, we are unable to comment on the possible consequential effect thereof on any of the periods presented in the Statement and whether the Company has complied with any applicable laws and regulations.  The erstwhile auditors' audit opinion for the year ended March 31, 2023 and our review conclusion for the quarter ended December 31, 2023, were also modified for the above matter.			
	<b>b. <u>Type of Audit Qualification:</u> Qualified Opinion / <del>Disclaimer of Opinion / Adverse Opinion</del></b>			



<p><b>a. Frequency of qualification:</b> Included since audit report for the quarter ended March 31, 2023</p>
<p><b>c. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not applicable</p>
<p><b>d. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p>
<p>(i) <b>Management's estimation on the impact of audit qualification:</b> The impact is not quantifiable. Refer e(ii) below</p>
<p>During the previous financial year 2022-23, a Short Seller Report ("SSR") was published in which certain allegations were made 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.</p> <p>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 on 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 SSR. 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.</p> <p>During the year, show cause notices were received from SEBI alleging (i) non-compliance of provisions pertaining to related party transactions under applicable regulations including the Listing Agreement and LODR Regulations with regard to the transactions entered in the earlier years with certain parties, essentially, from a substance-over-form perspective. The allegations are that the company has not obtained the requisite approvals, and have not made the required disclosure in the financial statements / annual report (ii) Not recalling security deposits against terminated contracts leading to not using the funds for company's core business purposes and thus not complying with the company's code of conduct.</p> <p>The amounts dues in respect of these transactions along with interest thereon have been received in full before 31<sup>st</sup> March 2023 and there are no transactions with these parties in the current financial year and there are no losses suffered by the Company.</p> <p>In April 2023, the Company had obtained a legal opinion by an independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Group, under applicable frameworks; and (b) the Group is in compliance with the requirements of applicable laws and regulations.</p>



	<p>In its replies to SEBI, the Company has denied the charges in its entirety, inter alia, on the basis that these transactions are in full compliance with then prevailing laws and regulations.</p> <p>Pending outcome of the adjudications, the Company holds to its view of the validity of the nature and effect of the transactions. Accordingly, no adjustments have been made in the financial statements of the Company.</p>
	<p>(ii) <b>Auditors' Comments on (i) or (ii) above:</b> Refer II (a) above</p>
III	<p><b>Signatories:</b></p>
	<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">   <b>Ashwani Gupta</b>  <b>Chief Executive Officer</b>  Place: Ahmedabad </div> <div style="text-align: center;">   <b>G. K. Pillai</b>  <b>Chairman - Audit Committee</b>  Place: Ahmedabad </div> </div>
	<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">   <b>D. Muthukumar</b>  <b>Chief Financial Officer</b>  Place: Ahmedabad </div> <div style="text-align: center;">  </div> </div>
	<p><b>Statutory Auditors:</b>  <b>For M S K A &amp; Associates</b>  <b>Chartered Accountants</b>  <b>(Firm Registration No. - 105047W)</b></p> <p><i>Samip R. Shah</i></p> <p><b>Samip Shah</b>  <b>Partner</b>  <b>Membership No 128531</b>  Place: Ahmedabad</p> <p><b>Date: 2<sup>th</sup> May, 2024</b></p>

To  
**The Board of Directors,**  
Adani Ports and Special Economic Zone Limited  
Adani Corporate House, Shantigram,  
Near Vaishno Devi Circle, S.G. Highway,  
Khodiyar, Ahmedabad - 382421

**Independent Auditors' Report on Statement of the Group's security cover in respect of Holding Company's 67,520 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each and 50,000 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 100,000 each, aggregating to ₹ 7,252 crores of Adani Ports and Special Economic Zone Limited as at March 31, 2024 pursuant to Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended).**

1. This report is being issued with the terms of engagement letter to the Board of Directors of Adani Ports and Special Economic Zone Limited dated April 25, 2024.
2. We, M S K A & Associates, Chartered Accountants, are the Statutory Auditors of Adani Ports and Special Economic Zone Limited ("the Holding Company") and have been requested by the Management of the Holding Company to examine the accompanying Annexure containing details of 'Security Cover as per the terms of offer document/ Information Memorandum and/ or Debenture Trust Deed' consisting of Adani Ports and Special Economic Zone Limited and subsidiaries, Adani Krishnapatnam Port Limited and Adani Tracks Management Service Limited as a whole ("the Group") in respect of its 67,520 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each, and 50,000 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 100,000 each, aggregating to ₹ 7,252 crores as at March 31, 2024 ("the Statement"). The Statement has been prepared by the Holding Company on the basis of the audited financial statements of the Group and other relevant records and documents maintained by the Group as at March 31, 2024. In respect of its 117,520 Listed, Secured, Redeemable, Non-convertible debentures stated above, in compliance with the Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended) and the SEBI vide circular no. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 (hereinafter together referred to as "the Regulations"). The Statement has been initiated for identification purposes only.
3. The Statement has been prepared for the purpose of onward submission to the Holding Company's debenture trustee to ensure compliance with the Regulations in respect of its 67,520 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each, and 50,000 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 100,000 each, aggregating to ₹ 7,252 crores.

#### **Management's Responsibility for the Statement**

4. The preparation of the Statement is the responsibility of management of the Holding Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.



# MSKA & Associates

Chartered Accountants

5. The management of the Holding Company is also responsible for ensuring that the Holding Company complies with all the relevant requirements of the Regulations and for providing all relevant information to the Holding Company's Debenture Trustee as prescribed in the respective Debenture Trust Deeds entered between the Holding Company and its Debenture Trustees in respect of its 67,520 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each, and 50,000 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 100,000 each, aggregating to ₹ 7,252 crores.

## Auditor's Responsibility

6. Pursuant to the requirements of the Regulations, it is our responsibility to obtain sufficient appropriate evidence to provide limited assurance and form a conclusion as to whether the book values of the assets of the Group contained in Columns A to J of the Statement have been accurately extracted and ascertained from the audited financial statements of the Group and other relevant records and documents maintained by the Group, and whether the Holding Company maintained the security cover and complied with the financial covenants as per the Debenture Trust Deed. Our responsibility does not include the evaluation of adherence by the Holding Company with all the applicable Regulations.
7. For the purposes of this report, we have relied on the audited financial statements of the Group for the year ended March 31, 2024 and information and documents as made available to us by the Holding Company.
8. A limited assurance engagement involves making inquiries, primarily of the Group's personnel responsible for financial and accounting matters and applying analytical and other review procedures. The procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
9. Accordingly, we have performed the following procedures in relation to the Statement:
  - a) Verified and read the Debenture Trust Deed entered between the Holding Company and its Debenture trustee and noted that, the Holding Company is required to maintain a security cover in respect of such debentures as indicated in the Statement (based on book values);
  - b) Traced and agreed the principal amount and the interest thereon of borrowings outstanding in respect of debt securities and Group assets available for debt securities as at March 31, 2024 to the audited financial statements maintained by the Group as at March 31, 2024.
  - c) Obtained and read the list of security cover in respect of debenture outstanding as per the Statement and traced the value of assets from the Statement to the audited financial statements of the Group and correlated to the books of account and other records of the Group as at March 31, 2024;
  - d) Understood the nature of charge (viz exclusive charge or pari-passu charge) on the asset of the Group by obtaining the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Security Cover in respect of listed, secured, redeemable non-convertible debt security;
  - e) Examined and verified the arithmetical accuracy of the computation of security cover ratio (based on book values) mentioned in the accompanying the Statement;



# MSKA & Associates

Chartered Accountants

- f) Compared the Security Cover with the Security Cover required to be maintained as per Debenture Trust Deed;
  - g) Obtained the workings of assets and liabilities presented in the respective columns in the Statement and verified the same from the audited financial statements of the Group and relevant records and documents.
  - h) Performed necessary inquiries with the management and obtained necessary representations.
10. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
11. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Conclusion

12. Based on the procedures performed as referred to in paragraph 9 above and according to the information, explanations and representations provided to us by the Management of the Holding Company, nothing has come to our attention that causes us to believe that the book values of the assets of the Group contained in Columns A to J of the Statement are not in agreement with the audited financial statements of the Group for the period ended and as at March 31, 2024 and other relevant records and documents maintained by the Group and that the Holding Company has not complied with financial covenants of the debentures.

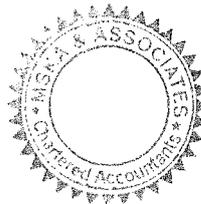
## Restriction on Use

13. The Report is addressed to the Board of Directors of the Holding Company solely for the purpose of onward submission to the Holding Company's debenture trustee pursuant to the requirements of the Regulations. It should not be used by any other person or for any other purpose. This report relates only to the Statement specified above and does not extend to any financial or other information of the Holding Company. M S K A & Associates shall not be liable to the Holding Company or to any other concerned for any claims, liabilities or expenses relating to this assignment.
14. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Samip K. Shah*

**Samip Shah**  
Partner  
Membership No. 128531



**UDIN: 24128531BKFFVG9913**

Place: Ahmedabad  
Date: May 02, 2024

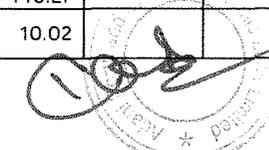
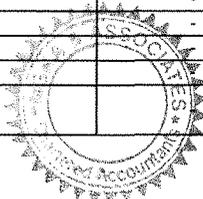
Annexure I(A)  
Table for security cover on Consolidated level for the Company

adani

Ports and  
Logistics

(INR Cr.)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-pasu Charge	Pari-pasu Charge	Pari-pasu Charge	Assets not offered as security@	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis \$	Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable (for Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari Passu charge Assets \$	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value						Relating to Column F		
<b>ASSETS</b>														
Property, Plant and Equipment	Project Assets of MPT, T2 and CT2	-	-	Yes	11,426.70	-	1,589.38	-	13,016.09	-	-	11,426.70	-	11,426.70
Capital Work-in- Progress	Project Assets of Coal Terminal	-	-	Yes	633.29	-	316.29	-	949.59	-	-	633.29	-	633.29
Right of Use Assets	Certain Project Assets of Adani Krishnapatnam Port Limited	-	-	Yes	228.98	-	34.06	-	263.04	-	-	228.98	-	228.98
Goodwill		-	-	No	-	-	44.86	-	44.86	-	-	-	-	-
Intangible Assets		-	-	Yes	58.25	-	2.38	-	60.63	-	-	58.25	-	58.25
Intangible Assets under Development	Certain Project Assets of Adani Tracks Management Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	No	-	-	46,125.06	-	46,125.06	-	-	-	-	-
Loans		-	-	Yes	3,447.49	-	10,836.20	-	14,283.69	-	-	3,447.49	-	3,447.49
Inventories		-	-	Yes	1.87	-	87.77	-	89.64	-	-	1.87	-	1.87
Trade Receivables		-	-	Yes	140.27	-	1,242.55	-	1,382.82	-	-	140.27	-	140.27
Cash and Cash Equivalents		-	-	Yes	10.02	-	346.77	-	356.79	-	-	10.02	-	10.02



## Annexure I(A)

## Table for security cover on Consolidated level for the Company

adani

Ports and  
Logistics

(INR Cr.)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-pasu Charge	Pari-pasu Charge	Pari-pasu Charge	Assets not offered as security@	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis \$	Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable (for Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari Passu charge Assets \$	Carrying value/book value for pari passu assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		<b>Book Value</b>	<b>Book Value</b>	<b>Yes/No</b>	<b>Book Value</b>	<b>Book Value</b>							<b>Relating to Column F</b>	
Bank Balances other than Cash and Cash Equivalents		-	-	No	-	-	3,407.86	-	3,407.86	-	-	-	-	-
Others#		-	-	Yes	26.84	-	6,411.12	-	6,437.96	-	-	26.84	-	26.84
<b>Total</b>		-	-	-	<b>15,973.72</b>	-	<b>70,444.30</b>	-	<b>86,418.02</b>	-	-	<b>15,973.72</b>	-	<b>15,973.72</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains	Listed Secured Non Convertible Debentures^	-	-	-	7,499.90	-	-	-	7,499.90	-	-	-	-	-
Other debt sharing pari-passu charge with above debt	Other Secured Borrowings^		-	-	238.90	-	-	-	238.90	-	-	-	-	-
Other Debt			-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt		not to be filled	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings			-	-	-	-	41,161.20	-	41,161.20	-	-	-	-	-
Bank			-	-	-	-	1,083.71	-	1,083.71	-	-	-	-	-
Debt Securities			-	-	-	-	-	-	-	-	-	-	-	-
Others#			-	-	-	-	2,786.77	-	2,786.77	-	-	-	-	-
Trade payables			-	-	-	-	499.25	-	499.25	-	-	-	-	-
Lease Liabilities			-	-	-	-	104.62	-	104.62	-	-	-	-	-
Provisions			-	-	-	-	26.90	-	26.90	-	-	-	-	-
<b>Total</b>			-	-	<b>7,738.80</b>	-	<b>45,662.45</b>	-	<b>53,401.25</b>	-	-	-	-	-

Annexure I(A)  
Table for security cover on Consolidated level for the Company

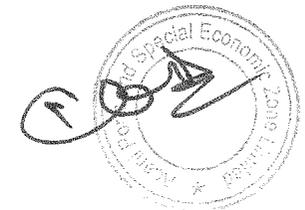
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-passu Charge	Pari-passu Charge	Pari-passu Charge	Assets not offered as security@	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis \$	Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable (for Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari Passu charge Assets \$	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		<b>Book Value</b>	<b>Book Value</b>	<b>Yes/No</b>	<b>Book Value</b>	<b>Book Value</b>						<b>Relating to Column F</b>		
Cover on Book Value		-			2.06									
Cover on Market Value		-			2.06									
		<b>Exclusive Security Cover Ratio</b>			<b>Pari-Passu Security Cover Ratio</b>									

^ Includes the Interest accrued and Ind AS adjustments thereon.

\$ The market value of the security as at March 31, 2024 have been considered based on the valuation report of Govt. registered valuer as of March 31, 2022. The Statutory Auditors have not performed any independent procedures in this regards.

@ This represents the assets of APSEZ (standalone), which are not offered as Security.

# Balancing Assets and Liabilities



**Annexure I(A)**  
**Table for security cover on Consolidated level for the Company**

Note:

1. The financial information as on March 31, 2024 has been extracted from the audited financial statements for the year ended March 31, 2024 and other relevant records and documents of the company.
2. This statement is prepared in accordance with Regulation 54 read with Regulation 56(1)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and SEBI circular on Monitoring and Disclosures by Debenture Trustee(s) vide circular number: SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 ("the Regulations").
3. Adani Ports and Special Economic Zone Limited (Parent Company) has granted a secured Inter Corporate Deposit to Adani Krishnapatnam Port Limited which is assigned in favour of the Debenture Trustee for the benefit of Debenture Holders of the NCD bearing ISIN-INE742F07510. The Inter Corporate Deposit is secured by First Ranking Pari-passu charge over the movable project assets of Adani Krishnapatnam Port Limited. Hence, to calculate FACR cover for the NCD issued by the parent company, the value of Project assets of Adani Krishnapatnam Port Limited's have been considered.
4. Adani Ports and Special Economic Zone Limited (Parent Company) has provided First Ranking Pari-passu charge over the certain project assets of Adani Tracks Management Services Private Limited in favour of the Debenture Trustee for the benefit of Debenture Holders of the NCD bearing ISIN-INE742F07437. Hence, to calculate FACR cover for the NCD issued by the parent company, the value of certain Project assets of Adani Tracks Management Services Private Limited's have been considered.

Initialed for identification purposes only  
vide certificate bearing UDIN - 24128531BKFFVG9913



For, Adani Ports and Special Economic Zone Limited

*[Handwritten Signature]*  
Authorised Signatory  
Ahmedabad - May 02, 2024



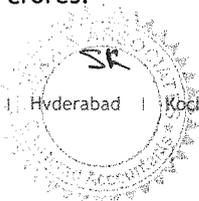
To  
**The Board of Directors,**  
Adani Ports and Special Economic Zone Limited  
Adani Corporate House, Shantigram,  
Near Vaishno Devi Circle, S.G. Highway,  
Khodiyar, Ahmedabad - 382421

**Independent Auditors' Report on Statement of Security Cover in respect of its 67,520 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each, and 50,000 Listed, Secured, Redeemable, Non-convertible debentures of the face value ₹ 100,000 each aggregating to ₹ 7,252 crores of Adani Ports and Special Economic Zone Limited as at March 31, 2024 pursuant to Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended).**

1. This certificate is being issued with the terms of engagement letter to the Board of Directors of Adani Ports and Special Economic Zone Limited dated April 25, 2024.
2. We, M S K A & Associates, Chartered Accountants, are the Statutory Auditors of Adani Ports and Special Economic Zone Limited ("the Company") and have been requested by the Management of the Company to examine the accompanying Annexure containing details of 'Security Cover as per the terms of offer document/ Information Memorandum and/ or Debenture Trust Deed' in respect of its 67,520 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each, and 50,000 Listed, Secured, Redeemable, Non-convertible debentures of the face value ₹ 100,000 each aggregating to ₹ 7,252 crores as at March 31, 2024 ("the Statement"). The Statement has been prepared by the Company on the basis of the audited financial statements and other relevant records and documents maintained by the Company as at March 31, 2024, in respect of its 117,520 Listed, Secured, Redeemable, Non-convertible debentures stated above, in compliance with the Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended) and the SEBI vide circular no. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 (hereinafter together referred to as "the Regulations"). The Statement has been initialed for identification purposes only.
3. The Statement has been prepared for the purpose of onward submission to the Company's debenture trustee to ensure compliance with the Regulations in respect of its 67,520 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each, and 50,000 Listed, Secured, Redeemable, Non-convertible debentures of the face value ₹ 100,000 each aggregating to ₹ 7,252 crores.

#### **Management's Responsibility for the Statement**

4. The preparation of the Statement is the responsibility of management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the Regulations and for providing all relevant information to the Company's Debenture Trustee as prescribed in the respective Debenture Trust Deeds entered between the Company and its Debenture Trustees in respect of its 67,520 Listed, Secured, Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each, and 50,000 Listed, Secured, Redeemable, Non-convertible debentures of the face value ₹ 100,000 each aggregating to ₹ 7,252 crores.



## Auditor's Responsibility

6. Pursuant to the requirements of the Regulations, it is our responsibility to obtain sufficient appropriate evidence to provide limited assurance and form a conclusion as to whether the book values of the assets of the Company contained in Columns A to J of the Statement have been accurately extracted and ascertained from the audited financial statements of the Company and other relevant records and documents maintained by the Company, and whether the Company maintained the security cover and complied with the financial covenants as per the Debenture Trust Deed. Our responsibility does not include the evaluation of adherence by the Company with all the applicable Regulations.
7. For the purposes of this report, we have relied on the audited financial statements of the Company for the year ended March 31, 2024, and information and documents as made available to us by the Company.
8. A limited assurance engagement involves making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. The procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
9. Accordingly, we have performed the following procedures in relation to the Statement:
  - a) Verified and read the Debenture Trust Deed entered between the Company and its Debenture trustee and noted that, the Company is required to maintain a security cover in respect of such debentures as indicated in the Statement (based on book values);
  - b) Traced and agreed the principal amount and the interest thereon of borrowings outstanding in respect of debt securities and assets available for debt securities as at March 31, 2024 to the audited financial statements maintained by the Company as at March 31, 2024;
  - c) Obtained and read the list of security cover in respect of debenture outstanding as per the Statement and traced the value of assets from the Statement to the audited financial statements of the Company and correlated to the books of account and other records of the Company as at March 31, 2024;
  - d) Understood the nature of charge (viz exclusive charge or pari-passu charge) on the asset of the Company by obtaining the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Security Cover in respect of listed, secured redeemable non-convertible debt security;
  - e) Examined and verified the arithmetical accuracy of the computation of security cover ratio (based on book values) mentioned in the accompanying the Statement;
  - f) Compared the Security Cover with the Security Cover required to be maintained as per Debenture Trust Deed;
  - g) Obtained the workings of assets and liabilities presented in the respective columns in the Statement and verified the same from the audited financial statements and relevant records and documents;



# MSKA & Associates

Chartered Accountants

- h) Performed necessary inquiries with the management and obtained necessary representations.
10. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' ("the Guidance Notes") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
11. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Conclusion

12. Based on the procedures performed as referred to in paragraph 9 above and according to the information, explanations and representations provided to us by the Management of the Company, nothing has come to our attention that causes us to believe that the book values of the assets of the Company contained in Columns A to J of the Statement are not in agreement with the audited financial statements of the Company for the year ended and as at March 31, 2024 and other relevant records and documents maintained by the Company and that the Company has not complied with financial covenants of the debentures.

## Restriction on Use

13. The Report is addressed to the Board of Directors of the Company solely for the purpose of onward submission to the Company's debenture trustee pursuant to the requirements of the Regulations. It should not be used by any other person or for any other purpose. This report relates only to the Statement specified above and does not extend to any financial or other information of the Company. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment.
14. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

*Samip K. Shah*

**Samip Shah**

Partner

Membership No. 128531

**UDIN: 24128531BKFFVF6532**

Place: Ahmedabad

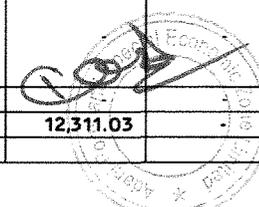
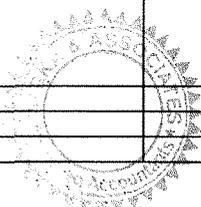
Date: May 02, 2024



Annexure I(B)

Table for security cover on Standalone level for the Company

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-pasu Charge	Pari-pasu Charge	Pari-pasu Charge	Assets not offered as security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis \$	Carrying / book value for exclusive assets where market value is not ascertainable or applicable (for Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari Passu charge Assets \$	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value						Relating to Column F		
<b>ASSETS</b>														
Property, Plant and Equipment	Project Assets of MPT, T2 and CT2, Project Assets of Coal Terminal	-	-	Yes	8,083.18	-	1,589.38	-	9,672.56	-	-	8,083.18	-	8,083.18
Capital Work-in-Progress		-	-	Yes	493.21	-	316.29	-	809.50	-	-	493.21	-	493.21
Right of Use Assets		-	-	Yes	228.98	-	34.06	-	263.04	-	-	228.98	-	228.98
Goodwill		-	-	No	-	-	44.86	-	44.86	-	-	-	-	-
Intangible Assets		-	-	Yes	58.25	-	2.38	-	60.63	-	-	58.25	-	58.25
Intangible Assets under Development		-	-	-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	No	-	-	46,125.06	-	46,125.06	-	-	-	-	-
Loans		-	-	Yes	3,447.41	-	10,836.28	-	14,283.69	-	-	3,447.41	-	3,447.41
Inventories		-	-	No	-	-	87.77	-	87.77	-	-	-	-	-
Trade Receivables		-	-	No	-	-	1,242.55	-	1,242.55	-	-	-	-	-
Cash and Cash Equivalents		-	-	No	-	-	346.77	-	346.77	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	No	-	-	3,407.86	-	3,407.86	-	-	-	-	-
Others#		-	-	No	-	-	6,411.12	-	6,411.12	-	-	-	-	-
<b>Total</b>		-	-	-	<b>12,311.03</b>	-	<b>70,444.38</b>	-	<b>82,755.41</b>	-	-	<b>12,311.03</b>	-	<b>12,311.03</b>



## Annexure I(B)

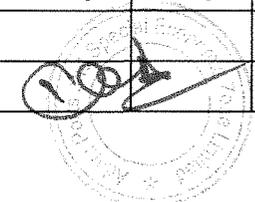
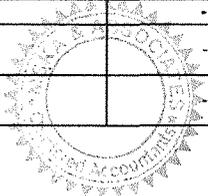
## Table for security cover on Standalone level for the Company

adani

Ports and  
Logistics

(INR Cr.)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-pasu Charge	Pari-pasu Charge	Pari-pasu Charge	Assets not offered as security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis \$	Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari Passu charge Assets \$	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value						Relating to Column F		
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains	Listed Secured Non Convertible Debentures <sup>A</sup>	-	-	-	7,499.90	-	-	-	7,499.90	-	-	-	-	-
Other debt sharing pari-passu charge with above debt	Other Secured Borrowings <sup>A</sup>		-	-	238.90	-	-	-	238.90	-	-	-	-	-
Other Debt			-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt		not to be filled	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings			-	-	-	-	41,161.20	-	41,161.20	-	-	-	-	-
Bank			-	-	-	-	1,083.71	-	1,083.71	-	-	-	-	-
Debt Securities			-	-	-	-	-	-	-	-	-	-	-	-
Others <sup>#</sup>			-	-	-	-	2,786.77	-	2,786.77	-	-	-	-	-
Trade payables			-	-	-	-	499.25	-	499.25	-	-	-	-	-
Lease Liabilities			-	-	-	-	104.62	-	104.62	-	-	-	-	-
Provisions			-	-	-	-	26.90	-	26.90	-	-	-	-	-
<b>Total</b>		-	-	-	<b>7,738.80</b>	-	<b>45,662.45</b>	-	<b>53,401.25</b>	-	-	-	-	-
<b>Cover on Book Value</b>					1.59*									
<b>Cover on Market Value</b>					1.59*									



Annexure I(B)  
Table for security cover on Standalone level for the Company

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-pasu Charge	Pari-pasu Charge	Pari-pasu Charge	Assets not offered as security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis \$	Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable (for Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari Passu charge Assets \$	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value						Relating to Column F		
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

\* As the Company has provided the security from the Subsidiary's assets, the Company is in compliance with the FACR requirement.

^ Includes the Interest accrued and Ind AS adjustments thereon.

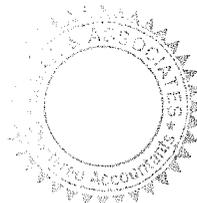
\$ The market value of the security as at March 31, 2024 have been considered based on the valuation report of Govt. registered valuer as of March 31, 2022. The Statutory Auditors have not performed any independent procedures in this regards.

# Balancing Assets and Liabilities

Note:

- The financial information as on March 31, 2024 has been extracted from the audited financial statements for the year ended March 31, 2024 and other relevant records and documents of the company.
- This statement is prepared in accordance with Regulation 54 read with Regulation 56(1)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and SEBI circular on Monitoring and Disclosures by Debenture Trustee(s) vide circular number: SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 ("the Regulations").

Initialed for identification purposes only  
vide certificate bearing UDIN - 24128531BKFFVF6532



For, Adani Ports and Special Economic Zone Limited

*[Signature]*  
Authorised Signatory  
Ahmedabad - May 02, 2024

**Annexure A**

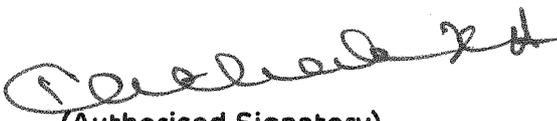
**STATEMENT CERTIFYING THE ASSET COVER IN RESPECT OF SECURED AND REDEEMABLE NON-CONVERTIBLE DEBENTURES AS AT MARCH 31, 2024**

We hereby confirm that as at March 31, 2024, Adani Ports and Special Economic Zone Limited (the 'Company') having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad - 382421, has an sufficient asset cover as defined in the relevant Debenture Trust Deeds towards outstanding principal amount of Secured Redeemable Non-Convertible Debentures amounting to Rs. 7,220.07 crore and accrued interest amounting to Rs. 279.83 crore.

The Company has complied with all the covenants in respect of outstanding Redeemable Non-Convertible Debentures as on March 31, 2024.

Working of Security Cover (for secured Debentures) as per SEBI Circular SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 is attached.

For **Adani Ports and Special Economic Zone Limited**

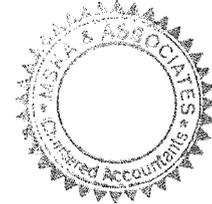
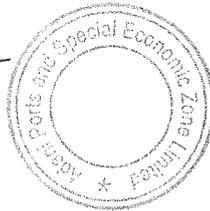


**(Authorised Signatory)**

Name: Kalpesh Pathak

Place: Ahmedabad

Date: May 02, 2024



## Annexure – II to the Certificate

### Reference of Non-Convertible Debentures:

1. Information Memorandum dated 26<sup>th</sup> May 2016 for INR 100 Crore Non-Convertible Debentures having ISIN No INE742F07353.
2. Information Memorandum dated 29<sup>th</sup> June 2016 for INR 252 Crore Non-Convertible Debentures having ISIN No INE742F07361.

As per "Particulars of the Offer" of the above refereed Information Memorandum:

#### **A. Financial Covenants:**

1. DSCR > 1.10x;
2. Net Gearing (Total Net debt / Tangible Net worth) < 3x

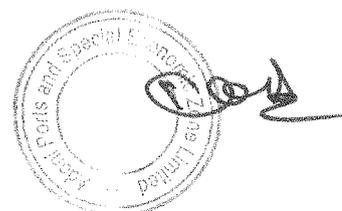
#### **B. Definitions of Financial Covenants:**

**"Debt"** shall mean, at any time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of the financial indebtedness of the Borrower including without limitation all long term and short term debt, secured and unsecured debt, any convertible instruments which are capable of redemption prior to the Final Maturity Date, and guarantees (excluding any guarantee on which the APSEZ Group has been indemnified by a Person outside of the APSEZ Group which has an effect under GAAP of removal of this guarantee as contingent liability) and indemnities given by the Borrower to financial institutions for financial indebtedness to entities other than its subsidiaries / joint ventures/associates.

**"Net Debt"** shall mean Debt less any cash and cash equivalents including interest bearing deposits and excluding any restricted deposits or cash pledged as security for any indebtedness.

**"Tangible Net Worth"** shall mean, at any time, the aggregate of the amount paid up on the Borrower's issued share capital, paid up amount on share warrants, share application moneys paid, the amount standing to the credit of the reserves of the Borrower, amounts in respect of deferred infrastructure usage income, Deferred Tax Liability less revaluation reserve, goodwill (but excluding goodwill arising out of acquisition and M&A) and any other intangible assets

**"DSCR"** shall mean for each Relevant Period as defined in information memorandum (i) PAT plus depreciation plus interest expense, divided by (ii) the aggregate of all scheduled repayments and mandatory prepayments of Debt (excluding working capital debt and Debt which is refinanced) and interest on Debt.



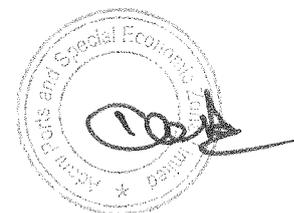
**Calculation of Financial Covenants:**

Sr. No.	Particulars	INR in Cr.
	<b>Net Gearing ratio (Total Net Debt / Tangible Net worth) &lt;3x</b>	
<b>1</b>	<b>Total Net Debt</b>	
<b>(A)</b>	<b>Debt</b>	
	Long Term Borrowing*	37,662.93
	Current Maturities of Long-term Borrowings	7,687.99
	Short term borrowings	928.31
	<b>Total Debt</b>	<b>46,279.23</b>
Less	Cash and Cash Equivalents	4,208.86
	<b>Total(A)</b>	<b>42,070.37</b>
<b>(B)</b>	<b>Tangible Net worth</b>	
	Share Capital	432.03
Add	Reserves and Surplus	53,356.89
Add	Deferred Tax Liabilities (Net)	2,251.20
Add	Infrastructure usage income	703.15
Less	Other Intangible Assets	(11,282.64)
	<b>Total(B)</b>	<b>45,460.63</b>
	<b>Net Gearing (Total(A) / Total(B))</b>	<b>0.93</b>

<b>2</b>	<b>DSCR&gt;1.10x</b>	<b>INR in Cr.</b>
	Profit After tax	8,103.99
Add	Depreciation & Amortisation	3,888.46
Add	Interest Expense	2,706.09
	<b>Total(A)</b>	<b>14,698.54</b>
	Repayment during the year	-
Add	Interest paid during the year	2,808.51
	<b>Total(B)</b>	<b>2,808.51</b>
	<b>DSCR* Total(A) / Total(B)</b>	<b>5.23</b>

\*Includes the debt component of Preference shares issued by the company for Rs. 137.05 Cr. pursuant to the relevant Ind As.

\*The DSCR for the period ended March 2024 is calculated based on the last 12 months numbers, i.e., from 1st April 2023 to 31st March 2024.



The Board of Directors,  
Adani Ports & Special Economic Zone Limited  
Adani Corporate House, Shantigram,  
Near Vaishno Devi Circle,  
S.G. Highway, Khodiyar, Ahmedabad - 382421

**Independent Auditor's Certificate on the Utilization of proceeds from the issue of the Non-Convertible Debentures ("the Securities") by Adani Ports & Special Economic Zone Limited as at March 31, 2024.**

1. We have been requested by Adani Ports & Special Economic Zone Limited ("the Company") having its registered office at the above mentioned address vide engagement letter/ agreement letter/ mandate letter\* dated April 23, 2024, to certify the Statement of utilization of the proceeds of Non-Convertible Debenture ("the Securities") ("the Statement") for declared purpose as per the relevant Debenture Trust Deed by the Company, for the period commencing on January 09, 2024 and ending March 31, 2024 ('the Period') for the purpose of submission to the Debenture Trustee.

#### **Management's Responsibility**

2. The preparation of the Statement/Annexure is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The Management is also responsible for ensuring that the Company complies with the requirements of terms and condition of issuance and utilization of the proceeds of the Securities for the declared purpose, maintaining adequate and appropriate records for the same and providing all relevant information to the Debenture Trustee.

#### **Auditor's Responsibility**

4. Pursuant to the requirements of the Debenture Trust Deed, it is our responsibility to provide a reasonable assurance whether the utilization of the proceeds of the Securities for their declared purpose during the Period.
5. The financial statements for the financial year ended March 31, 2024 have been audited by us, on which we issued an qualified audit opinion vide our report dated May 02, 2024. Our audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
6. We have performed the following procedures in relation to the particulars in the Statement prepared by the Company:
  - a) Obtained from the Company, Debenture Trust Deed and reviewed the purpose of the securities. The Management of the Company has represented to us that there are no amendments or supplementary letters thereof other than those provided to us;



# MSKA & Associates

Chartered Accountants

- b) Verified the outflow of the funds from the designated bank accounts and traced the same to the relevant ledger accounts for the Period.
  - c) Verified, on a test check basis, the details of the transactions of the accounts (representing payments made by the Company towards utilisation of the proceeds) and traced the same to the books of account and other relevant documents and records supporting the transactions (including purchase orders, invoices, vouchers, etc.) to examine whether such transactions are incurred in accordance with the purpose of the Securities;
  - d) Obtained the bank reconciliation statements from the Company (wherever applicable) and the balance confirmations from Banks as at January 09, 2024 with respect to the accounts mentioned above in order to confirm the outstanding balances of the as at March 31, 2024;
  - e) Performed necessary inquiries with the management and obtained necessary representations from the management of the Company.
7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

## Opinion

9. Based on our examination, as above, and the information, explanations and written representations given to us, we are of the opinion that during the period ended March 31, 2024, out of the proceeds of the Securities amounting to INR Rs 500 Crores received, the same has been utilized for the declared purpose.

## Restriction on Use

10. The certificate is addressed to the Board of Directors solely for the purpose of onward submission to Debenture Trustee. This certificate should not be used by any other person or for any other purpose. M S K A & Associates shall not be liable to the Company, Debenture Trustee or to any other concerned for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.



# MSKA & Associates

Chartered Accountants

11. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Samip K. Shah



Samip Shah

Partner

Membership No. 128531

UDIN: 24128531BKFFVE3504

Encl: Statement of utilisation of proceeds from Non-Convertible Debentures issued during the year ended March 31, 2024;

## ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

### THE STATEMENT OF UTILISATION OF PROCEEDS FROM NON-CONVERTIBLE DEBENTURES ISSUED DURING THE YEAR ENDED MARCH 31, 2024

NCD Series - (ISIN)	Amount Borrowed (in Rs. Cr.) / Date	Objects of the Issue as per Debenture Trust Deed / Information Memorandum	Amount Utilized (in Rs. Cr.) as considered by Company
(1)	(2)	(3)	(4)
INE742F07528	Rs. 250 Cr. / 9 <sup>th</sup> January, 2024	To be utilized by the Issuer solely for working capital purposes, repayment / prepayment / refinancing of the existing debt of the Issuer (including any existing debt which was used to refinance debt availed for capital expenditure purposes), meeting the transaction cost/financing expenses and other costs including cost of refinancing / prepayment, if any, capital expenditure purposes, creation of debt service reserve account or any other reserve as the Issuer may be required to create.	Rs. 500 Cr. utilized for payment of outstanding overdraft facility from Yes Bank Limited on 9 <sup>th</sup> January 2024*
INE742F07536	Rs. 250 Cr. / 9 <sup>th</sup> January, 2024		

*\*Disbursement proceeds of Rs. 500 Cr was received in bank account maintained with Axis bank on 9th January, 2024. On the same date Rs 500 Crore have been transferred to Yes Bank's OD Account. Such OD facility was used for CAPEX and other purposes in previous years.*

Initialed for Identification purposes only  
vide certificate bearing  
UDIN - 24128531BKFFVE3504

For, Adani Ports and Special Economic Zone  
Limited



*[Handwritten Signature]*  
Authorized Signatory  
Ahmedabad - May 2, 2024



**Annexure A**

**STATEMENT OF DEVIATION/ VARIATION IN UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ISSUE, FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH 2024**

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (Rs. In crore)	Funds utilized (Rs. In crore)	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Adani Ports and Special Economic Zone Limited	INE742F07528	Private Placement	Non - Convertible Debentures Series 1 Date of Maturity 09/01/2029	January 9, 2024	Rs. 250	Rs. 250	No	-	-
	INE742F07536		Non - Convertible Debentures Series 2 Date of Maturity		Rs. 250	Rs. 250			

**Statement of Deviation / Variation in use of issue proceeds:**

Particulars	Remarks
Name of listed entity	Adani Ports and Special Economic Zone Limited
Mode of fund raising	Private Placement
Type of instrument	Non-Convertible Debentures
Date of raising funds	January 9, 2024
Amount raised	Rs. 500 crore
Report filed for quarter ended	March 31, 2024
Is there a deviation / variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	Not Applicable
If Yes, details of the approval so required?	Not Applicable
Date of approval	Not Applicable
Explanation for the deviation / variation	Not Applicable
Comments of the audit committee after review	None
Comments of the auditors, if any	Not Applicable as there is no deviation

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table							
Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any	
Not Applicable							

Adani Ports and Special Economic Zone Ltd  
 Adani Corporate House, Shantigram,  
 Nr. Vaishno Devi Circle, S. G. Highway,  
 Khodiyar, Ahmedabad - 382421  
 Gujarat, India  
 CIN: L63090GJ1998PLC034182

Tel +91 79 2555 4444  
 Fax +91 79 2555 7177  
 Investor.apsezi@adani.com  
 www.adaniports.com



Ports and  
Logistics

**Deviation could mean:**

- a. Deviation in the objects or purposes for which the funds have been raised.
- b. Deviation in the amount of funds actually utilized as against what was originally disclosed.

The utilisation of funds is in accordance with the objects stated in the Key Information Document dated January 4, 2024.

**Name: Kamlesh Bhagia**

**Designation: Company Secretary & Compliance Officer**

**Signature:** Kamlesh Bhagia Digitally signed by  
Kamlesh Bhagia  
Date: 2024.05.02  
13:10:24 +05'30'

**Place: Ahmedabad**

**Date: 2<sup>nd</sup> May, 2024**

Adani Ports and Special Economic Zone Ltd  
Adani Corporate House, Shantigram,  
Nr. Vaishno Devi Circle, S. G. Highway,  
Khodiyar, Ahmedabad - 382421  
Gujarat, India  
CIN: L63090GJ1998PLC034182

Tel +91 79 2555 4444  
Fax +91 79 2555 7177  
Investor.apsezi@adani.com  
www.adaniports.com

Registered Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India



Ports and  
Logistics

**Adani Ports  
and  
Special Economic Zone Limited**  
Integrated Annual Report

2023-24

**STRONGER THAN EVER**



Ports



Multimodal  
Logistics Parks



Trains and Tracks



Trucking



Grain Silos

AS IN SPORTS...

# BREAKING

"If my mind can conceive it, if my heart  
can believe it, then I can achieve it."  
Muhammad Ali

# ALL

# RECORDS



Monumental success is not merely about reaching new heights but shattering previous boundaries and redefining what is possible. It embodies the epitome of human potential, where individuals or entities

transcend conventional limits to achieve extraordinary feats. Such achievements become landmarks in history, inspiring generations and setting new benchmarks for excellence.



While storms can flatten structures and cyclones can destroy cities, they cannot do anything to mountains.

Mountains remain unmoved and unaffected. From one peak to another, they continue to rise higher and higher.

And as they rise, they emerge stronger.

We also faced a severe man-made storm recently – one that would have destroyed most businesses.

But, under the visionary leadership of our Chairman, we remained unyielding like a mountain.

We kept building inner strength by:

Our unceasing  
commitment to  
governance and  
compliance

Our unwavering  
focus on  
sustainability and  
impact creation

Our unending  
endeavour to  
trust and  
transparency

With untiring learning, we made the biggest comeback in the history of corporate India with our strongest performance ever.

We continue to rise higher and higher, and emerge

# Stronger Than Ever

Mountains symbolise trust and truthfulness, strength and stillness, constancy and courage. In this publication, we have drawn our inspiration from the mountains, and paid our humble homage to the world's highest mountains.

Mount Everest, the world's highest mountain

# Contents



**We showed our unbreakable spirit and proved that challenges could not weaken us; instead they became a testament to our ability to emerge stronger than ever.**

**Mr Gautam S. Adani**  
Chairman



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**To view this report online, please visit:**  
[www.adaniports.com](http://www.adaniports.com)

# Our Approach to Integrated Reporting

## About The Report

Adani Ports and Special Economic Zone Limited (APSEZ) has believed in disclosures that go beyond the statutory compliance and accordingly has made available relevant information, both financial and non-financial, as a part of Integrated Reporting since the Fiscal Year 2019-20. The disclosures enable providers of financial capital to assess how the Company creates, preserves or erodes value. This integrated report also outlines Company's value creation and outcomes for all its stakeholders, including employees, customers, suppliers, business partners, local communities, regulators and policymakers during the Fiscal Year 2023-24.

## Reporting Principles

Our integrated report is based on the principles contained in the <IR> Framework of the IFRS Foundation. In this report, the statutory sections – the Directors' Report, including Management Discussion and Analysis (MDA), and the Corporate Governance Report – are as per the Companies Act, 2013 (including the Rules framed thereunder), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the revised Secretarial Standards issued by the Institute of Company Secretaries of India. The financial statements are in accordance with the Indian Accounting Standards (Ind AS). This report covers the guidelines and commitments related to the GRI Standards, United Nations Global Compact (UNGC) principles, National Guidelines Responsible Business Conduct (NGRBC), Sustainable Development Goals (SDGs) and India Business & Biodiversity Initiative (IBBI). It demonstrates our strategic alignment with a global commitment to combat climate change and align it with Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. It covers the financial year from April 1, 2023, to March 31, 2024.

## Reporting Boundary

This report covers the financial and non-financial aspects of APSEZ, subsidiaries and joint ventures. The financial reporting covers all geographies of APSEZ's operations and 137 entities while the ESG parameters being reported for India and Israel operations covers 40 entities with >95% revenue contribution.

## Approach to Materiality

The report outlines material issues that might impact Company's value-drivers, competitive position or long-term value creation for the shareholders. The material topics have been gathered from engagement across the organisation and from external stakeholders.

In FY 2023-24, the material topics were reviewed through internal analysis and revalidated through third party assurance in line with various global frameworks, key trends in the ports and logistics industry and peer benchmarking.

## Audit and Assurance

We safeguard information quality contained in this Integrated Report through a robust verification process, leveraging our expertise and that of third parties who have no financial interest in our operations other than for the assessment of this report. The statutory section has been audited by M/s. M S K A & Associates, Chartered Accountants and the secretarial audit has been done by CS Ashwin Shah, Practicing Company Secretary. The ESG information has been externally assured by TUV India Pvt. Ltd. in accordance with AA1000 Assurance Standard V3 - 'Type 2, moderate level', ISAE 3000 (Revised)- 'reasonable level', the latest guidelines issued by the Securities and Exchange Board of India (SEBI), and the provision of assurance statements for CDP Climate Change, CDP Water Security, and Business Responsibility and Sustainability Reporting (BRSR) Data. Separate Assurance Statements have been provided by the third-party for Integrated Report, BRSR Core, CDP Climate Change and CDP Water Security.

## Board and Management Assurance

The Board of Directors and Management Team acknowledge their responsibility to ensure the integrity of this Integrated Report. They believe the report addresses all material issues and presents the integrated performance in a fair and accurate manner. Occasional differences in data and percentages in the graphs and tables are due to the rounding-off effect of values.

## Forward-Looking Statements

This document contains statements about expected future events and financial and operating results of Adani Ports and Special Economic Zone Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Adani Ports and Special Economic Zone Limited Integrated Annual Report 2023-24.



# PORTFOLIO OVERVIEW

04 Portfolio of Progress

06 Committed to a stronger than ever India

08 Stronger than ever performance

Mount K2 or Godwin Austen, the world's second highest mountain

THE ADANI PORTFOLIO OF COMPANIES

# Portfolio of Progress

At the heart of this Portfolio of Progress is a journey of evolution over the years. Like the ascending peaks of a mountain range, we have grown every year – not only on the strength of our business performance, but equally and importantly, through our steadfast commitment to environmental, social and governance practices underpinned by a culture of transparency.

The Adani portfolio of companies, headquartered in Ahmedabad, India, has been founded and promoted by the visionary industrialist Mr Gautam Adani. The operations of the portfolio commenced in 1988 with commodity trading business under the flagship company Adani Enterprises Limited (previously Adani Exports Limited).

The Adani portfolio of companies today stands amongst India's largest and fastest-growing diversified business portfolios spanning transport, logistics, energy and utility, materials, metals, mining and various B2C sectors. The portfolio comprises eleven publicly-traded companies, including four investment grade (IG)-rated businesses, and is India's sole Infrastructure Investment Grade bond issuer.

## Vision

To be a world-class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

## Values

### Courage

We shall embrace new ideas and businesses

### Trust

We shall believe in our employees and other stakeholders

### Commitment

We shall stand by our promises and adhere to high standards of business

## Culture

### Passion

Performing with enthusiasm and energy

### Results

Consistently achieving goals

### Integration

Working across functions and businesses to create synergies

### Dedication

Working with commitment in the pursuit of our aims

### Entrepreneurship

Seizing new opportunities with initiatives and ownership

## Core Philosophy

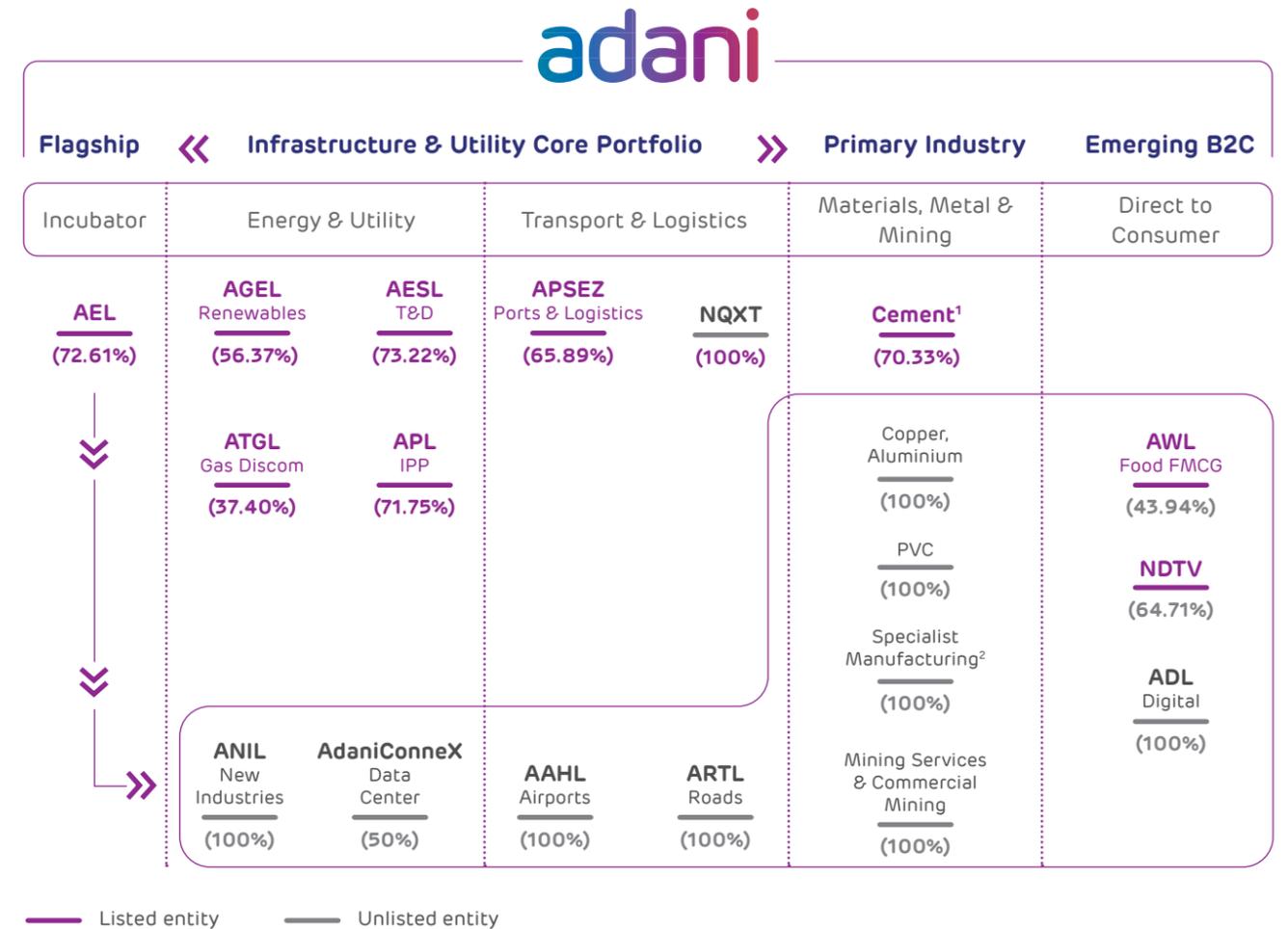
The Adani portfolio of companies is guided by the philosophy of 'Growth with Goodness', which emphasises sustainable and responsible development aligned with national priorities. To this end, ambitious ESG targets, with a focus on decarbonisation, have been set.

In one of the largest commitments of its kind globally, a significant USD 100 billion investment has been earmarked for a green transition and transport by 2030. This includes building Integrated Green Hydrogen Ecosystem encompassing three giga factories to develop 10 GW solar panels, 5 GW wind turbines and 5 GW hydrogen electrolyzers and expanding the portfolio of Adani renewables to 50 GW. Five major companies – Adani Ports, Adani Green Energy, Adani Energy Solutions, ACC and Ambuja – have committed to achieving net zero by 2050. Furthermore, a pledge has been made at WEF's 1t.org to plant 100 million trees by 2030.

The Adani Foundation, currently touching over 9.1 million lives, is positioned to address the critical needs of New India in areas like health, nutrition, education, basic sanitation, women's livelihood and skills development.

## Portfolio structure

Unleashing growth and nation development with a world-class infrastructure and utility portfolio



(%) Adani family's equity stake in the Adani portfolio companies

(%) AEL equity stake

Holdings are as on March 31, 2024, except for cement, in which holding is as on April 30, 2024.

Data center, JV with EdgeConneX, **AEL**: Adani Enterprises Limited; **APSEZ**: Adani Ports and Special Economic Zone Limited; **AESL**: Adani Energy Solutions Limited; **APL**: Adani Power Limited; **AGEL**: Adani Green Energy Limited; **AAHL**: Adani Airport Holdings Limited; **ARTL**: Adani Roads Transport Limited; **ANIL**: Adani New Industries Limited; **AWL**: Adani Wilmar Limited; **ADL**: Adani Digital Labs Private Limited; **NDTV**: New Delhi Television Limited; **PVC**: Polyvinyl Chloride; **NQXT**: North Queensland Export Terminal; **ATGL**: Adani Total Gas Ltd, JV with TotalEnergies; **T&D**: Transmission & Distribution; **IPP**: Independent Power Producer

<sup>1</sup> Cement business includes 70.33% stake in Ambuja Cements Limited which in turn owns 50.05% in ACC Limited, Adani directly owns 6.64% stake in ACC Limited. Ambuja also owns 60.44% stake in Sanghi Industries

<sup>2</sup> Includes the manufacturing of Defence and Aerospace Equipment

# Committed to a stronger than ever India

The Adani portfolio of companies boldly leads the way with extensive capacities spanning critical sectors of the economy and a nationwide footprint. They are strategically positioned to capture market leadership and propel the nation forward.

## Empowering critical sectors of the Indian economy



### Transport and Logistics

Logistics (seaports, airports, logistics, shipping and rail), public transport infrastructure (roads and highways construction)



### Materials, Metals and Mining

Cement, mining development and operations, copper, petrochemicals, defence & aerospace



### Energy and Utility

Power generation, transmission & distribution, renewable energy (solar, wind, hybrid and pump hydro storage), green hydrogen, data center, water management



### B2C

Natural Gas & infrastructure (City Gas Distribution, EV Charging, Compressed Biogas Production, Smart Meters), agro (commodities, branded edible oil, packaged food products, cold storage and grain silos), media & entertainment, digital lab

## Scale and market leadership across businesses

### Adani Ports and Special Economic Zone Limited

India's largest private-sector port operator

India's largest port (Mundra)

Highest margin among peers

627 MMT cargo handling capacity

### Adani Green Energy Limited

Among the world's largest renewable energy business

World's largest wind-solar hybrid power project (2,140 MW) in Rajasthan

21,953 MW locked-in portfolio

Fully secured growth up to 50 GW by 2030

### Adani Energy Solutions Limited

India's

largest private-sector transmission and distribution company with over 20,500 ckm of network and 12 million consumers

Only private player in the country to have built and operate a HVDC line

One of India's most efficient transmission and distribution players in terms of line availability benchmarks and distribution losses and other operating parameters

AEML is rated as India's No.1 power utility (2<sup>nd</sup> year in a row)

34.35%

Renewable power in the overall energy mix of AEML by FY 2023-24

### Adani Total Gas Limited

India's largest private city gas distribution business

52\* geographical areas of gas supplies

(\*including 19 IOAGPL GA's)

606 EV charging points and 1,040 under various stages of construction

### Ambuja Cements Limited (with subsidiaries ACC Limited and Sanghi Industries Limited)

Second largest cement manufacturer in India

Iconic cement brand

78.9 MTPA cement manufacturing capacity

### Adani Enterprises Limited

India's largest business incubation company

India's largest airport infrastructure company

4 GW module manufacturing

1.5 GW wind turbine generator capacity

17 MW data center capacity

500 KTPA Copper Unit at Mundra

5,000+ lane kms of road projects

9 mine service contracts (operational: 4 coal and 1 iron ore)

### Adani Power Limited

India's largest private sector thermal power producer

India's largest single location private thermal IPP (Mundra)

16.85 GW of operating and upcoming capacity

### Adani Wilmar Limited

India's largest edible oil brand

Amongst India's largest port-based edible oil refinery

5,000 MT per day edible oil refinery capacity

7.2 lakh retail outlets

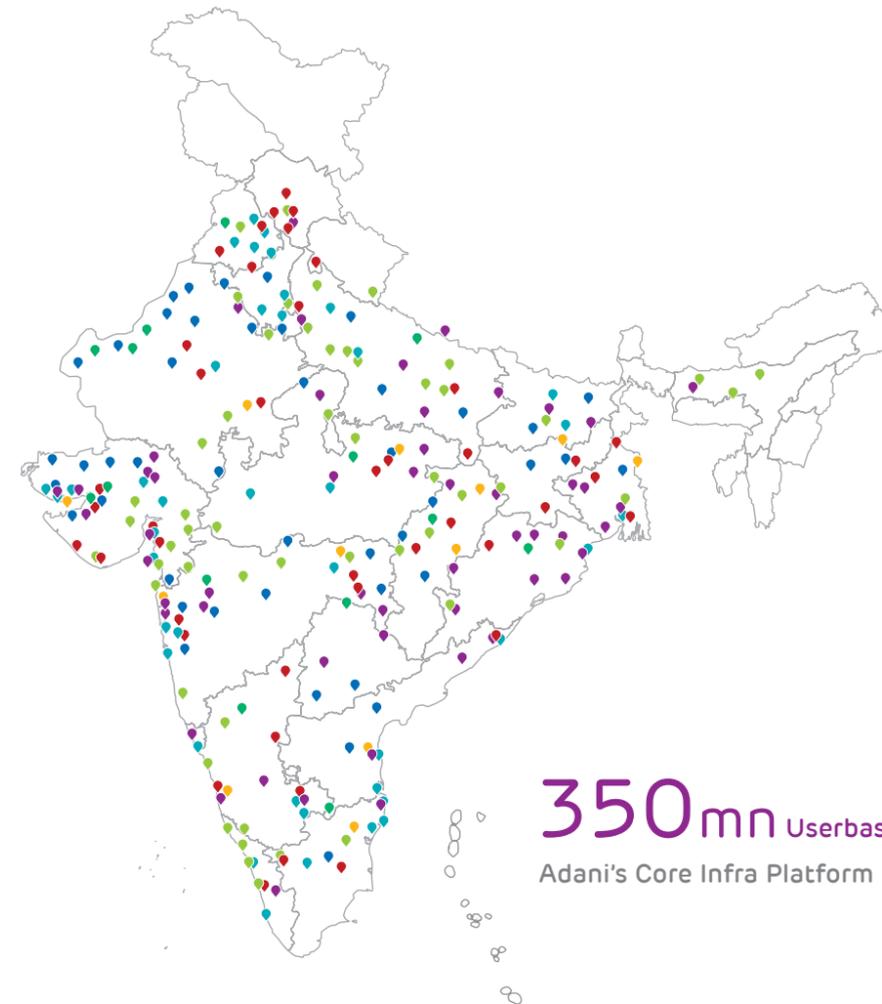
### NDTV Limited

Among India's most trusted media companies

Countries 65 NDTV 24\*7 | 10 NDTV India 5 NDTV Profit

32.25 million YouTube subscribers

## National footprint with deep penetration



350mn Userbase  
Adani's Core Infra Platform

Legend: AEL, APSEZ, AGEL, ATGL, AESL, APL, Adani Cement

Map not to scale and used for representation only.

# Stronger than ever performance

## Industry-leading profitability

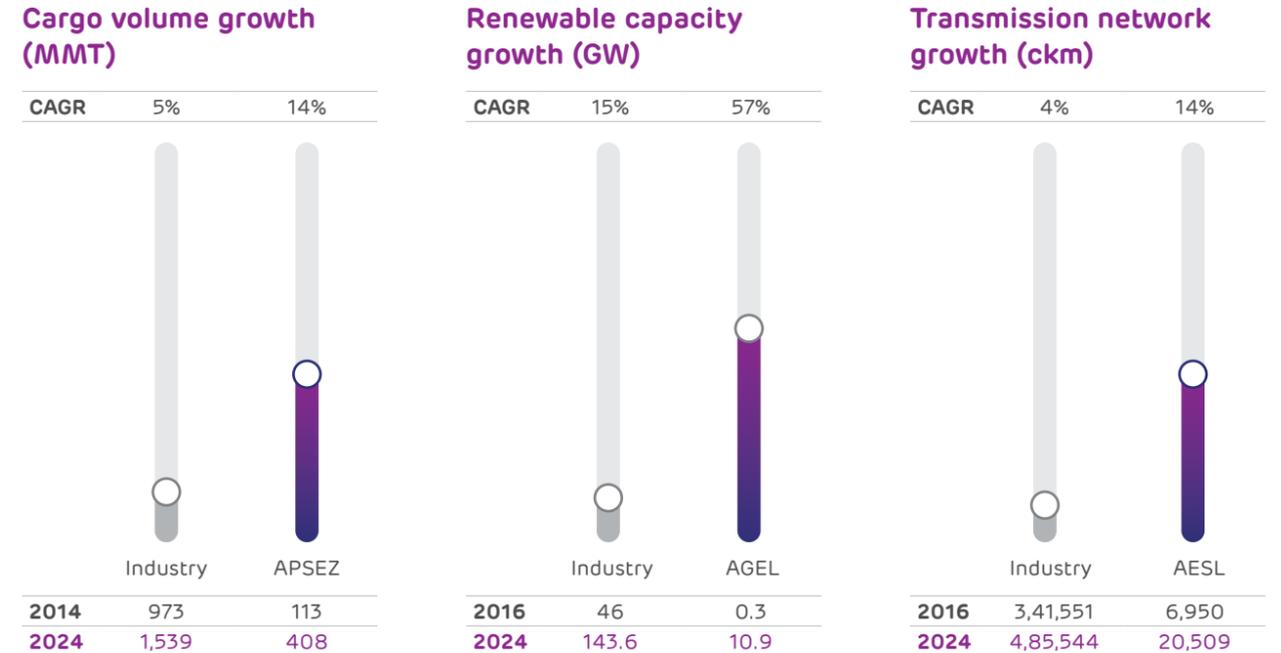


\*Comparable PAT excludes all one-time items like regulatory income, provisions, bilateral charges

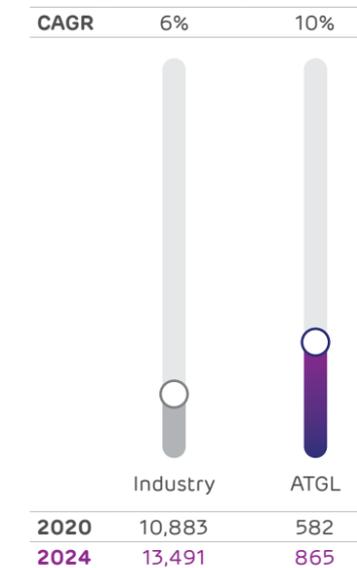
Note 1: Growth pertains to growth in FY 2023-24 vs FY 2022-23

Note 2: Adjusted EBITDA: PAT incl. Share of Profit from JV + Current Tax + Deferred Tax + Depreciation + Finance Cost + Unrealised Forex Loss / (Gain) + Exceptional Items

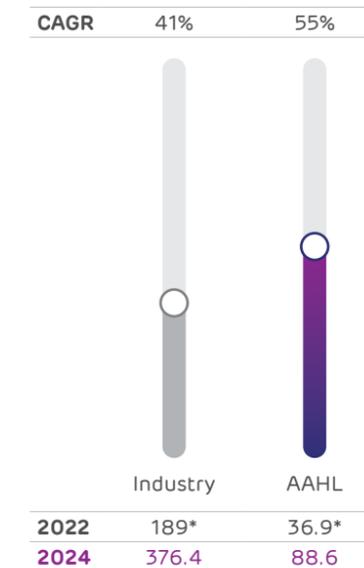
Note 3: EBITDA and PAT of AWL was impacted on account of hedges dis-alignment, tariff rate quota disparity and losses in Bangladesh operations



## City gas distribution Volume (MMSCM)



## Passenger traffic (Mn)



Note: The start year considered for industry data is the year when the business commenced.

\* Pax numbers were impacted due to pandemic in FY 2021-22

# 2

## CORPORATE OVERVIEW

Mount Kanchenjunga, the third highest mountain in the world

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How is Adani Ports and  
Special Economic Zone Limited

# Stronger Than Ever

There is no  
stopping India's  
momentum.

The country is on track to its  
destiny and destination to emerge  
as a developed nation by 2047.

Central to India's rapid rise is its  
growing dominance in the global  
supply chain, powered by massive  
investments in manufacturing,  
assembling and processing.

And at the heart of the  
supply chain lie integrated  
logistics solutions, poised to  
empower and enhance India  
Inc.'s competitiveness with  
unprecedented options and  
efficiencies in the form of  
holistic and hassle-free transport  
utility services.

At Adani Ports and SEZ, we  
are creating a never-before  
infrastructure network connecting  
ports, railways and roadways  
supported by SEZs, multi-modal  
logistics parks, warehouses, grain  
silos and marine flotillas.

## The result?

**Enhancing customer  
competitiveness  
through an unbeatable  
competitive advantage  
in terms of cost,  
efficiencies and  
experiences that will set  
national benchmarks and  
global standards.**

—  
**A network of 15 ports  
across the country's  
coastline including  
India's largest port  
at Mundra.**

—  
**Expanding global  
footprint with presence  
at 4 international ports.**

**With India's largest  
integrated logistics  
network comprising  
111 marine flotillas,  
127 trains, 12 multi-modal  
logistics parks, 690 kms  
of rail tracks, 2.4 mn  
sq. ft. of warehousing  
space and 1.2 MMT of  
grain silos.**

—  
**With 16,500+ hectares  
of landbank in the  
backyard of ports  
including India's largest  
SEZ at Mundra where  
we support industrial  
development.**

—  
**We are not only India's  
largest transport  
utility player who are  
going strong, but are  
also growing.**

# Getting stronger than ever translates into a year of record milestones and all-round performance

**Record-breaking operational performance with benchmarked productivity**

**419.95 MMT**

Highest-ever cargo volume

▲ 24%

**10**

No. of ports recording highest-ever cargo volume

**100 MMT in less than 2 years**

Fastest-ever incremental cargo throughput

(It took 14 years to achieve the 100 MMT cargo volumes, another five years to reach 200 MMT and another 3 years to reach 300 MMT)

## Record monthly volumes

- APSEZ achieved highest-ever monthly cargo volumes of 38.1 MMT in March 2024
  - Mundra Port handled its highest-ever monthly cargo volume of 17.1 MMT in March 2024, which is also the highest at any Indian Port
  - AICTPL (CT-3, Mundra) created India level record of handling highest ever container volumes in a month and in a year (3 Lakh TEUs in November 2023 and 3 Mn TEUs in FY24)
  - Mundra Port's CT-4 handled its highest-ever monthly container volumes of 1,24,164 TEUs in March 2024
  - Gangavaram Port handled its highest-ever monthly cargo volumes of 4.0 MMT in January 2024
  - Krishnapatnam Port handled its highest-ever monthly cargo volumes of 5.7 MMT in May 2023
  - Tuna Terminal handled its highest-ever monthly cargo volumes of 1.15 MMT in March 2024
  - Ennore Container Terminal handled its highest-ever monthly containers in November 2023, crossing 65,000 TEUs
  - Kattupalli Port handled its highest-ever volume in a single month crossing 76,000 TEUs in February 2024
- 5 ports recorded the arrival of the largest/deepest ship ever in their history**
  - Mundra Port berthed one of the largest ships ever – MV MSC Hamburg, 399 m long and 54 m wide, with a carrying capacity of 15,908 TEUs and a current reported draught of 12 m
  - Krishnapatnam Port berthed the largest vessel with dimensions 335.94 m LOA and 42.94 m Beam
  - Gangavaram Port berthed its deepest draft vessel of 18.12 m
  - Karaikal Port successfully docked a 14.08 m deep draft vessel (Gloria G)
  - Kattupalli Port safely berthed MV Seaspan Beacon, a 10,000 TEUs vessel and a container vessel with a 14.5 M draft and displacement of 1,28,046 T

**~3 x**

Domestic cargo growth vs India's growth rate in FY24

**0.6 Mn TEUs**

Highest-ever rail volumes

**20.1 MMT**

Highest-ever GPWIS volumes

**67%**

Ports capacity utilisation

**22,589 MT/day**

Operational productivity for dry cargo

**Impactful contribution to India's socio-economic development**

**₹ 1,272 crore**

Total direct tax contribution

**627\* MMT**

India's largest private port player (cargo handling capacity)

**16,500+ hectares**

Supporting industrialisation (Port, SEZ and Non-SEZ land bank)

**2.4 mn sq ft**

Warehousing space

**12**

Multimodal logistics parks

**127**

Total rake count

**1.2 MMT**

Agrisilo capacity

**900**

Trucks

**111**

Marine Flotila\*

MMT: Million metric tonnes; TEU: Twenty-foot equivalent units; GPWIS: General Purpose Wagon Investment Scheme; AICTPL: Adani International Container Terminal Private Limited

\*Marine Flotila indicate count of tugs

\* includes Gopalpur Port and under construction ports/terminals at Haldia and Vizhinjam



Impactful contribution to India's socio-economic development

**₹ 26,711 crore**

Highest-ever total operating revenue

⬆️ **28%**

**₹ 5,584 crore**

Long term debt re-payments/ pre-payments (reducing net debt to EBITDA to 2.3x from 3.1x)

**26%**

Logistics EBITDA margin amongst the top in industry

**₹ 15,864 crore**

EBITDA

⬆️ **24%**

**₹ 15,018 crore**

Highest-ever net cash flow from operations

⬆️ **26%**

**71%**

Highest domestic port EBITDA margin among peers

⬆️ **~150 basis points**

Building a stronger and productive workforce

**2,919**

Total Employees

**3%**

Female representation

**~1.4 Million**

hours

Training provided

**₹ 9.66 crore**

Revenue per employee

Securing sustainable communities and a thriving planet

**1.64 Million**

Direct and Indirect beneficiaries

**₹ 112.3 crore**

Spent on CSR initiatives

**4,240 Ha**

Mangrove afforestation

**1,267 Ha**

Terrestrial Plantation Executed

**13%**

Renewable energy in Total Electricity Energy (1,000 MW under installation)

**6**

Ports practising zero waste to landfill

**9%**

Total Energy intensity reduction

**65**

Highest DJSI score among Adani portfolio of companies

**12.7**

Lowest Sustainalytics score among Adani portfolio of companies



# Message from the Chairman



Every challenge we have faced has made us more resilient.

## Dear Shareholder,

This year marks a monumental milestone for us. I am immensely grateful for what we have achieved together. Your unwavering support and trust have fuelled our transformation and allowed us to emerge stronger than ever with the wherewithal to overcome every obstacle that has come our way.



**Our journey epitomised the essence of the - spirit that has always defined us and has allowed us to consistently turn setbacks into comebacks.**



**Amidst the challenges, our liquidity became our greatest asset. Augmenting our cash reserves, we raised approximately ₹ 40,000 crore more, comfortably covering the next two years of our debt repayment.**

## From Trials to Triumph

For the Adani Group, 2023 was a year unlike any other. In the face of an unprecedented challenge and widespread scrutiny, our journey epitomised the essence of the spirit that has always defined us and has allowed us to consistently turn setbacks into comebacks. In 2023, we showed our unbreakable spirit and proved that challenges could not weaken us; instead they became a testament to our ability to emerge stronger than ever.

As most of you know, we faced baseless accusations made by a U.S.-based short-seller that threatened to cast a shadow on our reputation and decades of hard work.

Typical short-selling targets financial markets. This was far more insidious. It was a two-pronged attack, simultaneously targeting our financial standing and dragging us into the political arena. The onslaught was a calculated strike two days before the closing of our Follow-on Public Offer (FPO). Amplified by a segment of complicit media, it was designed to defame us, inflict maximum damage and erode our hard-earned market value.

We were, therefore, faced with a multi-dimensional crisis. Despite successfully raising ₹ 20,000 crore through the FPO, we made the extraordinary decision to return the proceeds. This historic move underscored our unwavering dedication to our investors and our commitment to ethical business practices.

Amidst the challenges, our liquidity became our greatest asset. Augmenting our cash reserves, we raised approximately ₹ 40,000 crore more, comfortably covering the next two years of our debt repayment. This decisive action is a testament to the strength of your company. It restored market confidence, and we safeguarded our portfolio against any volatility by pre-paying ₹ 17,500 crore in margin-linked financing.

Despite never having faced any challenges with debt repayments while operating in the inherently leveraged infrastructure sector, we dropped our Debt to EBITDA ratio to 2.5x in just six months from 3.3x at the end of March 2023. It is now at 2.2x. We should keep in mind that five years ago, this ratio stood at 7x. This approach not only strengthens our financial resilience but also increases our capacity for future expansion.

2.2x

Portfolio-level  
Net Debt to EBITDA ratio  
in FY 2023-24

We were further vindicated when the Supreme Court of India affirmed our actions, and our commitment to operational excellence and transparent disclosures was validated not only by rating agencies and the well-informed financial community but also by respected global investors. Partners like GQG Partners (U.S.), TotalEnergies Limited (Europe), IHC and QIA (Middle East), and even the U.S. Development Finance Corporation (DFC) stood firmly by our side, signalling unwavering confidence in our integrity.

The fact is that the spirit to fight back, the courage to stand up, and the will to overcome makes us stronger than ever. The storms that tested us became the very ones that fuelled our strength.

### India's Moment: Navigating Complexity, Seizing Opportunity

The world stands at a crossroads. Geopolitical tensions strain relationships, the fight against climate change grows more challenging, and technological change disrupts the way we live and work. Amidst this uncertainty, a powerful light shines – the undeniable rise of India.

India stands at a pivotal moment. A period where circumstances tilt in its favour, and decisive action can propel decades of growth and prosperity. Our nation is witnessing something extraordinary: a self-reinforcing cycle of progress. Growth feeds growth. India's trajectory is shaped by an exceptional time where opportunity and decisive action converge. This is evidenced by powerful metrics: a remarkable growth rate, declining fiscal and current account deficits, surging exports, controlled inflation, and rising income levels. These forces intertwine with declining poverty and expanding consumption, feeding corporate strength and slashing bank NPAs. This self-reinforcing cycle of progress is fuelled by domestic demand and amplified by global investors seeking stability and diversification, leading to record FDI inflows further bolstering the economy at a time of global insecurity.

The foundation of much of India's success rests in the clarity, consistency, and compassion of the government. Its focus on the welfare of the common citizen is transformative. Schemes like Direct Benefit Transfer, eliminating over 100 million fraudulent accounts and saving an astounding ₹ 3 lakh crore from misuse, Ayushman Bharat, saving the poor an estimated ₹ 1 lakh crore in healthcare expenses, the Prime Minister Ujjwala Yojana, providing clean cooking solutions to over 10 crore underserved citizens, or the Jal Jeevan Mission, which aims to supply 55 litres of water per person per day to every rural household, are more than just programmes – they are pillars of social progress that act as safeguards for the health and dignity of millions of our people. This trust in government emboldens the people and fuels their ambition.

It is this platform, established over the past decade, that has made India the world's fastest-growing major economy, a nation of scale, vision, and heart. In addition to the domestic success, its rising geopolitical stature and

principled global engagement positions India as a leading force for stability and progress during a tumultuous time as seen through initiatives like the G20 presidency.

This is India's moment. We are now the force for stability, cooperation, and progress in a complex world bolstered by vast domestic demand and propelled by the government's ambitious USD 2 trillion infrastructure investment target by 2030.

We, as a company, recognise this exceptional moment and that our ambitions are not just our own; they are interwoven with India's emergence as a true global power. India shines, and we shine with it.

### Hum Karke Dikhate Hai: The Philosophy for Our Success

India's robust macroeconomic stability and ambitious growth plans inspire unwavering confidence in our future. The pivotal role of public-private partnerships in infrastructure development, fuelled by strong multiplier effects, reinforces our belief. The nation's infrastructure spending has tripled in the past decade, with breakneck progress in highways, railways, and electrification. Initiatives like Gati Shakti will integrate infrastructure schemes (Bharatmala, Sagarmala, etc.) to drive logistics costs below 10%, bolstering competitiveness, and we are very well positioned to capitalise on such programmes.

This infrastructure push, combined with policies like Make in India and Production-Linked Incentive Schemes, will drive investment across vital sectors – roads, airports, ports, power, railways, and data centers, each of these are core businesses for the Adani Group. As India's leading infrastructure player, we see a clear narrative of immense and predictable growth.

Our record-breaking achievements in 2023 underscore our alignment with national priorities and our ability to execute the most complex, largescale projects with unmatched expertise.

Picture our Khavda Renewable Energy Park, the world's largest RE plant spanning several hundreds of square kilometres. Already generating 2,000 MW of clean energy, our aggressive timeline aims to develop 30 GW capacity in the next five years, enough to power nations like Belgium, Chile, and Switzerland. For us, this RE park is a symbol of our commitment to sustainability and a symbol of national pride.

In the spirit of sustainability, Adani Green became the proud sponsor of London Science Museum's stunning green energy gallery that looks at the past, present and future of energy systems. It is now considered one of the foremost museums that showcases how the world can generate and use energy more sustainably. It has quickly become a one-of-its-kind platform drawing and inspiring thousands of global visitors to understand solutions for an equitable and sustainable future.

USD 2 trillion

Government of India's  
infrastructure investment  
target by 2030



**India's trajectory is shaped by an exceptional time where opportunity and decisive action converge. This is evidenced by powerful metrics: a remarkable growth rate, declining fiscal and current account deficits, surging exports, controlled inflation, and rising income levels.**



**Our record-breaking achievements in 2023 underscore our alignment with national priorities and our ability to execute the most complex, largescale projects with unmatched expertise.**

## 420 MMT

Cargo handled by Adani Ports in FY 2023-24

## USD 553 mn

U.S. Development Finance Institution's investment in our container terminal JV in Sri Lanka



**We consistently take on projects of immense scale that others wouldn't dream of, proving our ability to deliver complex infrastructure that will fuel the nation's rise and most importantly continue to ensure that we do so without compromising on our growth and financial numbers.**

Or envision the cutting-edge Ammunition and Missile Complex, South Asia's largest, a testament to our commitment to India's security. Picture the Drishti 10 Starliner UAV, a symbol of Indian innovation, soaring through the skies, protecting our nation. These aren't just machines; they embody our unwavering dedication to India's well-being.

Further, visualise the world's largest slum at Dharavi in Maharashtra as we redevelop it over the next decade to provide dignity to over its 1 million residents. This is not a project of redevelopment; it's about dignity of living.

And we did not stop there.

We were privileged to have the Honourable Prime Minister inaugurate the state-of-the-art Terminal T3 at the Chaudhary Charan Singh International Airport in Lucknow, designed to accommodate 8 million passengers annually and enhance domestic and international connectivity.

Kutch Copper Limited, a pioneering project in Mundra, commenced operations at its greenfield copper refinery. By the end of this decade, we aim to make it the world's largest single-location copper smelter with a capacity of 1 MTPA, significantly enhancing India's self-reliance on a crucial metal needed for several critical industries.

Adani Ports experienced an exceptional year, exceeding 400 MMT of cargo for the first time and handling a record 420 MMT as it continued to expand its position as India's premier commercial port with significant double-digit growth across most facilities.

The U.S. Development Finance Corporation injected USD 553 million into CWIT, Adani's joint venture in Sri Lanka, to develop a deepwater shipping container terminal at Colombo Port. This investment is a strategic step showcasing the confidence of the DFC on Adani's capabilities as well as towards bolstering Sri Lanka's economic recovery through private sector-led initiatives.

Following the strategic acquisition of ACC and Ambuja Cements and the successful commissioning of our Ametha Integrated Unit, the Adani Group's combined cement capacity has risen from 67 MTPA to 78.9 MTPA. This puts us well on the path towards the 140 MTPA target we had set to achieve by 2028. Also, we are proud to state that Ambuja Cements was the lead supplier for the breathtaking Mumbai Trans Harbour Link, India's longest sea bridge covering 21.8 km that showcases its infrastructural prowess. Our approach is clear – align with the nation, build adjacencies, and de-risk through integration. Today, we stand as a testament to India's growth trajectory. We consistently take on projects of immense scale that others wouldn't dream of, proving our ability to deliver complex infrastructure that will fuel the nation's rise and most importantly continue to ensure that we do so without compromising on our growth and financial numbers. This is best manifested in the all-round growth numbers we delivered in 2023-24.

## Financial Performance: An All-Time Record

In terms of financial performance, I am delighted to state that we achieved an unprecedented milestone, recording the highest-ever EBITDA of ₹ 82,917 crore (roughly USD 10 billion), a remarkable surge of 45%. This exceptional financial performance drove our PAT to a record high of ₹ 40,129 crore, marking a substantial 70.8% growth. Our net Debt to EBITDA further fell to 2.2x from 3.3x over the past year, giving us additional headroom for future growth. All of this resulted in an all-time-high levels of liquidity for the Group with a cash balance of ₹ 59,791 crore.

These consistent and improved metrics demonstrate our highly stable infrastructure platform, and led to a series of rating and outlook upgrades. Three of our portfolio companies – Ambuja, ACC, and APSEZ, are now AAA rated.

## ₹ 82,917 Cr

Highest-ever portfolio-level EBITDA in FY 2023-24

### Highlighting the performance of a few of our companies:

#### APSEZ

In addition to reaching 420 MMT and 10 of our ports recording lifetime high cargo volumes, we undertook successful acquisitions of Gopalpur and Karaikal ports.

#### AEL

As the incubation engine for the Group, AEL had a stellar year with three of our incubating businesses, including airports, green hydrogen eco-system and roads, picking up momentum. Passenger traffic at our airports witnessed a strong double-digit growth and stands at 88.6 million passengers. The solar manufacturing division has successfully commissioned a large-sized monocrystalline ingot and wafer unit, India's first, further enhancing control over the fully integrated green hydrogen production chain.

#### AGEL

Given the RE growth potential, we revised our FY 2029-30 target from 45 GW to 50 GW. In the year, we added 2.8 GW, 15% of India's total renewable capacity addition. This includes the commissioning of the first 2 GW at the world's largest RE park at Khavda within 12 months of breaking ground, which highlights our execution capabilities.

#### APL

Our operating capacity increased by 12% to 15,250 MW, with the commissioning of the 1,600 MW Godda ultra-supercritical thermal power plant.

## 9.1 mn people

Reach of Adani Foundation



**Adani Foundation reaches millions of individuals across 6,769 villages in 19 states. This vast engagement underscores our deep commitment to uplifting lives and fostering sustainable development nationwide.**

### AESL

We commissioned critical transmission infrastructure, including two 765 kV lines – Warora-Kurnool (1,756 ckm) and Khavda, Bhuj. Our transmission order book stands at ₹ 17,000 crore, and our smart metering order book has expanded to 2.28 crore meters.

### ATGL

We expanded our CNG stations from 733 to 903 and PNG connections from 8.45 lakhs to 9.76 lakhs. We also commissioned 606 EV charging points and phase-1 of one of India's largest biomass plants in Barsana.

### Ambuja Cements

Our total capacity has increased to 78.9 MTPA from 67.5 MTPA and our EBITDA per tonne has more than doubled since we acquired the business. Our target is to reach 140 MTPA by 2028.

### NDTV

Our media entity has expanded its presence regionally and scaled digitally, with a 39% increase in global digital traffic. We also invested in next-generation infrastructure, with new facilities in BKC, Mumbai, and NCR, Delhi.

Overall, our record-breaking performance and strategic achievements across diverse sectors showcase our commitment to innovation and sustainable growth. Several of these achievements will significantly reduce national reliance on imports and help secure our national value chains. We have always believed that we are not just building businesses; we are contributing to powering India's future with infrastructure, energy solutions, and digital advancements. As we continue to invest in cutting-edge technologies and expand our reach, we are confident in our ability to deliver exceptional value and continue to contribute to our stakeholders.

### The Power of Purpose: Approach to Corporate Social Responsibility

We recognise that the most successful and enduring companies understand that integrating sustainability, ethical business practices, and community engagement into their core strategies is both a moral imperative and a smart business decision. In this context, the Adani Foundation's reach has now extended to 9.1 million individuals across 6,769 villages in 19 states. This vast engagement underscores our deep commitment to uplifting lives and fostering sustainable development nationwide. Our commitment to 'Growth with Goodness' drives our actions – from addressing environmental impact to prioritising the needs of all stakeholders, we strive to create long-term value while fostering thriving communities. And as outlined here, we continue to have inspiring stories of success.

Through the Adani Saksham (skill development) initiative, we empowered 1,69,000 young individuals with essential skills, helping them secure a brighter future and potentially become entrepreneurs.

Our agricultural programmes revitalised 26,000 acres of land, introducing sustainable practices and natural farming techniques that promise a greener tomorrow.

Our health outreach programmes, including mobile health care units and camps, touched 2 million lives, ensuring that essential services reach the most remote communities.

Further, the Gujarat Adani Institute of Medical Sciences, Adani Hospitals, and our rural clinics and wellness centers provided critical healthcare to approximately 2.7 million individuals.

The SuPoshan project enhanced the nutrition delivered to 4,14,000 women and children, fortifying the foundations of future generations.

Our efforts in animal husbandry improved the livelihoods of numerous farmers, with 9,100 cattle benefiting from better care and 30,000 instances of artificial insemination boosting productivity.

Our water conservation initiatives created a staggering 13.8 million cubic meters of storage capacity, ensuring water security and supporting the ecological balance of our ecosystems.

The engagement of 16,900 women in self-help groups underlined our initiative for sustainable economic development, empowering them to become agents of change in their communities.

At the Adani Foundation, each number tells a story of change, of a life empowered, and a community revitalised. These stories fuel our mission to continue making a significant and sustainable impact, and I am proud of what we have achieved together as we strive to do our part to leave a small positive mark on this world.

### A Shared Destiny: Stronger than Ever and Building a Nation Together

The challenges we overcame last year have strengthened our resolve. We draw inspiration from the very resilience that India embodies. Our ambitions are limitless, just like India's. We see a future where our expertise drives infrastructure revolutions, where our green energy initiatives power a sustainable tomorrow, and where our commitment to upliftment transforms communities.

The road ahead is paved with extraordinary possibilities and I can promise you that the Adani Group today is stronger than it's ever been. Our journey is a testament to the relentless pursuit of dreams, of turning ambition into reality. This isn't just about building businesses; it's about building a nation.

Hum Karke Dikhayenge! The best is yet to come.

**Gautam Adani**

# Message from the Managing Director

## Dear Shareholders,

APSEZ operates with the aim of becoming the world's leading transport utility company, providing integrated logistics solutions, and contributing to the economy and society. In FY 2023-24, we made tangible progress in this journey, delivering record-breaking performance across multiple fronts and executing strategic expansions, both domestically and globally. By fortifying our offerings spanning ports, logistics, port-based services and industrial development, we have established an ecosystem and infrastructure unlike any other globally. These endeavours position APSEZ right at the core of our customers' value chain, enhancing their global competitiveness while playing a pivotal role in driving forward India's economy, trade, industrial growth, and employment generation.



Reflecting on these achievements, it is evident that APSEZ has emerged stronger than ever, better positioned to create long-term value for all our stakeholders.



**Our integrated ports-cum-logistics infrastructure offers end-to-end services, setting us apart as leaders in efficiency and reliability.**

Reflecting on these achievements, it is evident that APSEZ has emerged stronger than ever, better positioned to create long-term value for all our stakeholders. The fact that this coincides with the milestone of completing 25 years of operations at our flagship Mundra Port, makes it even more gratifying. We are confident more than ever to advance towards our vision of becoming the world's largest port operator by 2030, handling 1 billion MT of cargo.

## India rises in global supply chain

The Indian economy has been on an exceptional growth run, led by a robust cycle of investment in infrastructure creation and a surge in manufacturing activities. FY 2023-24 saw India's economy expanding by an estimated 7.6%, building on the 7% growth of the previous year.

The growth trajectory is expected to continue, with ample room for further expansion. Increased capital expenditure, especially from the private sector, along with rising exports volume as India strives to become a global manufacturing hub, positions the nation as one of the fastest-growing major economies. However, there will be an urgency to manufacture, store and move around raw materials, finished products and other commodities more efficiently. With maritime transport handling 95% of India's trade by volume and 68% by value, ports supported by efficient logistics infrastructure will serve as gateways to India's aspiration of becoming a USD 5 trillion economy.

Similar shifts in supply chain dynamics are also being observed in various emerging economies driven by their rising consumption, a changing world order amidst rising geopolitical risks and cost advantages. This has heightened the relevance of various global port assets, especially in South-East Asia. The implications of the recent disruptions arising from the Red Sea crisis and the Panama Canal drought due to EL Nino will remain a factor to watch out for.

## APSEZ: a catalyst for growth

As India's largest transport utility by far, APSEZ plays a pivotal role in driving the competitiveness of Indian industries. Our integrated ports-cum-logistics infrastructure offers end-to-end services, setting us apart as leaders in efficiency and reliability.

With an extensive network of ports across India's east and west coasts, we offer customers diverse ports and cargo options, all upheld by unparalleled operational standards that ensure swift turnaround times. Our logistics arm complements this with one of the largest and most diverse transportation fleets, multimodal logistical parks, warehouses, and Agri-silo storage spaces which facilitates rapid port evacuation and last-mile delivery.

Furthermore, APSEZ being the country's largest third-party marine service provider with the largest capital dredging capacity ensures seamless integration to maintain high O&M standard of the ports. We also lead the way in port-based industrial development, a key theme of the Government's flagship Sagarmala scheme. Mundra SEZ connected to our showpiece Mundra Port, is a prime example. It serves as a hub for connectivity to India's major industrial and commercial centres, fostering the growth of industrial clusters and attracting significant investments across various sectors. We intend to replicate similar developments across other ports

**₹ 15,018 cr**  
net cash flow from operations

where we hold landbanks. Our wealth of experience in both developing and operating the port, ability to turn around the acquired assets, and financial strength puts us in an ideal position to maximise any growth opportunities.

Through this model, we have established an unprecedented infrastructure that supports efficient and cost-effective manufacturing, trade, and goods movement. This in turn elevates the competitiveness of our customers to match global standards.

### Stronger than ever for tomorrow

Looking ahead, we recognise the importance of playing a greater role in India's economic growth and manufacturing sector while exploring international markets. This strategic move will allow us to become part of the global ports network, linking regions worldwide with India at its centre, and accomplishing the vision of becoming the world's largest port operator by 2030.

In FY 2023-24, we invested significantly to expand our portfolio, solidifying our position as India's largest private port player and integrated logistics provider. To achieve east-west parity, we strengthened our presence on the eastern coast by signing a definitive agreement to acquire 95% stake in Gopalpur Port. This transaction is expected to conclude by Q1 FY 2024-25, bringing our total Indian ports network to 15. We successfully scaled up operations at Karaikal Port and commenced commercial operations at the Dhamra LNG Terminal. Additionally, our Haldia terminal is expected to be operational in FY 2025-26. Our upcoming deep-water international seaport in Vizhinjam, being developed through a public-private partnership, will transform maritime trade for India, handling ultra-large ships and diverting traffic from Colombo Port.

Internationally, we are operating in four ports outside India, including Haifa Port (integrated during the year), an under construction container terminal in Colombo, Sri Lanka, and O&M contracts in Australia and Tanzania. Our global footprint expansion continues through ports, logistics, and maritime services.

On the logistics front, we are aggressively expanding our network to enhance transport efficiency and increase coverage. We aim to gain market share in container rail logistics. Additionally, we are building additional storage capacity for Agri silos and warehousing and expanding a new trucking vertical. Together, these will help build focus on first/last mile solutions and improve cargo stickiness. In marine services, we are the largest third-party marine service provider in India and we will continue to add assets to meet customer needs and enhance efficiency.

### Strengthening balance sheet integrity

APSEZ is dedicated to delivering value to shareholders and stakeholders, and our efforts to optimise our debt position reflect this. During the year, we repurchased bonds worth USD 325 million, bringing down net debt by 9% to ₹ 36,462 crore as on 31<sup>st</sup> March 2024. Our net debt to EBITDA is now at a comfortable level of 2.3x as on 31<sup>st</sup> March 2024 as compared to 3.1x as on 31 March 2023. During the year, S&P Global Ratings and ICRA have revised our credit outlook to Stable from Negative. APSEZ was also assigned AAA ratings by CARE, becoming the first private corporate infrastructure developer to be rated AAA.

Furthermore, our business is generating robust net cash flow from operations, which reached a record high of ₹ 15,018 crore during the year.

We intend to judiciously allocate these funds towards debt repayment and capital expenditure to ensure sustainable long-term growth.

### Ensuring sustainable and responsible growth

ESG is a key focus for our Company, and we take pride in being one of the most sustainable and responsible organisations in our industry. Upholding a robust governance framework is fundamental to our operations, ensuring adherence to ethical practices, transparency, and regulatory compliance concerns both business and environmental matters. Our efforts have significantly reduced the use of fossil fuels, electricity and water, and improved waste and plastic management. We are committed to achieving carbon neutrality by 2025 and net zero emissions by 2040 through renewable capacity deployment and greening transportation.

Manpower is our most valuable resource and investing in it remains a priority. We are building a resource pool for growth and leadership development, aiming to fill leadership positions internally.

Our dedication to ESG has been recognised across multiple platforms. APSEZ has been ranked in the 96<sup>th</sup> percentile for Transportation and Transportation Infrastructure by DJSI, and in the top 95<sup>th</sup> percentile by Sustainalytics, with a commendably low ESG risk rating of 12.7.

On the CSR front, our impactful initiatives in education, health, nutrition, skilling, livelihood, women and youth empowerment, agriculture, and community infrastructure have enhanced socio-economic standards in communities. Our developmental efforts at Mundra Port and SEZ have led to employment generation, local community growth, and revenue for the government. We continue to drive such development across various ports.

### Better future ahead

The outlook of the Indian economy remains strong, with the RBI forecasting a GDP growth of 7% for FY 2024-25. The government's thrust on capital expenditure, resurgence in the private capex cycle, improved business sentiments and a surge in trade activities are likely to drive the momentum. India's ability to compete internationally against other manufacturing exporters will be enhanced by a two-pronged approach to logistics – improving intermodal connectivity and heavy investment in ports and shipping capacity.

Leveraging our expertise as an integrated port-cum-logistics player along with our focus on industrial development, we are poised to catalyse industrial growth and support our customers. We have lined up significant capex plans to propel our ambition, including scaling capacities and digital capabilities, optimising operational excellence, embracing pioneering ESG practices and advancing people skills. Concurrently, we actively seek opportunities to build global scale in high-growth countries in South Asia, Southeast Asia, the Middle East and Africa through joint ventures with a strong local partner.

I extend my sincerest gratitude to all the stakeholders for their ongoing support in making APSEZ a nationally important entity. We earnestly seek your continued confidence and support to forge a better tomorrow for India.

**Karan Adani**  
Managing Director

**“**  
**We are committed to achieving carbon neutrality by 2025 and net zero emissions by 2040 through renewable capacity deployment and greening transportation.**

**“**  
**APSEZ was also assigned AAA ratings by CARE, becoming the first private corporate infrastructure developer to be rated AAA.**

## Message from the CEO

### Dear Shareholders,

I am pleased to report on APSEZ's performance in FY 2023-24 – a testament to our resilience, determination and excellence. Despite various external challenges and rising geopolitical uncertainties, our teams displayed grit and agility to achieve significant milestones. From setting new records in operational and financial performance to advancing towards building a global, diversified transport utility, the year has been truly inspiring.

From setting new records in operational and financial performance to advancing towards building a global, diversified transport utility, the year has been truly inspiring.



**420 MMT**  
cargo volumes globally

### India rises above uncertainty

The year 2023 was characterised by rising trade distortions and geoeconomic fragmentation. This weighed down the global trade, resulting in a slower volume growth of 0.4% as against 5.2% in 2022. Adding to the uncertainties have been disruptions in the Red Sea, recessionary trends in the West and declining commodity prices.

The sluggishness was also visible in India's merchandise trade value, with exports declining by 3% to USD 437.2 billion in FY 2023-24 as against the 6.7% growth in FY 2022-23. Merchandise imports declined by 5.6% to USD 675.6 billion against the 16.6% growth in FY 2022-23. However, the maritime trade volumes grew by more than 7.4% driven by continued positive economic momentum and India's growing recognition as an alternate supply chain destination. These dynamics are expected to ensure stronger growth in India's maritime activities, outpacing global trends.

### APSEZ achieves new performance milestones

With its presence at 12 operating port locations along the Indian coastline, offering end-to-end integrated logistics solutions with more than 90% hinterland coverage, strong cost control through owned marine services and a dredging company, robust financial capabilities, and the ability to turn around acquisitions, APSEZ is well-positioned to capitalize on the maritime growth of the country.

Our ports handled a record 420 million metric tonnes (MMT) of cargo volumes. Of this, domestic ports handled 408 MMT, growing at 21% to outpace India's domestic cargo volume growth by three times. Growth was reported across all three major cargo categories, with dry bulk cargo growing at 29%, container at 20%, and liquids and gas at 15%. Ten of our ports and terminals recorded their highest-ever cargo volumes. APSEZ has also handled its highest-ever monthly cargo volumes of over 38 MMT in March 2024.

Celebrating 25 years, our flagship Mundra port solidified its position as India's largest port and a premier container handling facility. Mundra continues to be the largest port in India, in terms of cargo handled, for the sixth consecutive year. It has become the first port in the country to handle a monthly volume of 17 MMT, a feat achieved in March 2024. It handled record container volumes of 7.4 million Twenty foot equivalents (MTEUs), strengthening its position as the largest container handling port in India and a gateway to Northern and Central India. It also achieved the highest-ever container rail and double stack volumes, underscoring our focus on operational efficiency and logistics cost optimisation. AICTPL (CT-3, Mundra Port), a joint venture terminal with MSC, became the first terminal in India to handle more than 3 MTEUs. The newly acquired Karaikal port quickly integrated with APSEZ and ramped up the volumes, handling 12.3 MMT cargo. A surge was witnessed in the coastal coal shipping through the rail-sea-rail route, driven by the Government's Atmanirbhar program, which our pan-India network of ports effectively managed.

In International operations, we are operating Haifa Port, Israel and have secured port O&M contracts in Tanzania, in addition to our existing O&M contract in Australia. We have also forayed into providing marine services in Sri Lanka, Oman and Mexico.

Logistics services saw record rail volumes at 0.6 MTEUs containers and 20.1 MMT bulk cargo, growing at a robust 19% and 40% respectively on the back of expansion efforts. Our rail network is enhanced to 127 trains and 690 km of rail tracks, enhancing transport efficiency. Multi-Modal Logistics Park (MMLP) network is strengthened to 12 with the addition of Loni inland



**Celebrating 25 years, our flagship Mundra port solidified its position as India's largest port and a premier container handling facility.**

**24%**  
growth in EBITDA

container deport (ICD), Valvada ICD, and Virochannagar MMLP. We also increased warehousing capacities with the addition of Indore and Mumbai warehouses, and agri-silos, facilitating the storage of agricultural commodities and are enhancing last-mile distribution.

### Strong Financial performance

The strong operational performance translated into record financial performance. Operating revenue increased 28% to ₹ 26,711 crore. Both domestic ports and logistics businesses maintained their industry-leading EBITDA margins of 71% and 26% respectively, attributed to improved operating efficiencies and capacity utilisation. This contributed to a strong 24% growth in EBITDA to ₹ 15,864 crore and a 50% growth in PAT to ₹ 8,104 crore.

### Strategic expansion and global dominance

APSEZ's journey over the last two and half decades has been exceptional. From a single-business, single-location operation, we have evolved into one of the largest transport utilities with a global robust infrastructure ecosystem spanning multiple businesses, expertise, and partnerships. Our customer-centric model and technology-driven platform have been instrumental in this transformation. The intent from here onwards is to leverage this strong foundation to sustainably grow globally, with several definitive steps underway.

We are positioning ourselves for aggressive global expansion, especially in key trade routes. Our operations in Haifa Port, Israel's largest port, provide us with access to the busy Mediterranean and opportunities for expansion in the Middle East. We are nearing commissioning of India's first semi-automated mega transshipment terminal at Vizhinjam, Kerala. With the disruptions in the Red Sea region, this port is well positioned to address the growing transshipment demand in the Indian Ocean Region (IOR). The ongoing development of an international container terminal in Colombo, Sri Lanka, will further bolster our presence in this region.

Government of India's focus on themes like "Make in India" and "Make for the world" will lead to increased infrastructure investment, commercialization of mines, rising energy demands, and industrialization, resulting in a multiplier effect on maritime trade and logistics needs in the country.

To capture this growth, we are pursuing a dual strategy of sweating existing assets and building new assets across the value chain from ports to customers. In ports, we focus on organically augmenting port capacities at berth, equipment, yard and evacuation through mechanisation and automation as required. Extending partnership with MSC, a JV is formed to operate the Ennore Container terminal. Such partnerships have in past delivered business expansion and we expect similar results.

Logistics services complement our port operations, and we have an ambitious expansion program in the next 5 years to fortify services and enhance market share. Plans include expanding the MMLP count to 20 and the container train fleet to 200+. Considering the shortage of storage facilities in India and its criticality in trade, we plan to expand our warehousing capacity aggressively to 20 Mn Sqft. and also targeting an 8x expansion in Agri-grain silos capacity to 10 MMT. Last-mile connectivity to customers is one of our key focus areas moving forward. In line with this, we are expanding our trucking business segment using an asset-light model approach. We have secured confirmed mid- to long-term contracts for last-mile services from our customers. Additionally, we recently acquired a 50% stake in Veracity Supply Chain Private Ltd (VSCPL) to leverage their expertise to extend last-mile connectivity to our customers at Ports, ICDs, and container freight stations. These efforts will expand our presence and strengthen our market share across the entire value chain.



**Both domestic ports and logistics businesses maintained their industry-leading EBITDA margins of 71% and 26% respectively, attributed to improved operating efficiencies and capacity utilisation.**

**28%**  
Increase in revenue

In our port-based SEZ development efforts, we will continue to leverage our 16,500+ hectares of strategic landbank at Mundra, Krishnapatnam and Dhamra ports to attract port-based industries and foster a robust ecosystem.

Marine services business is poised for significant growth, and we plan to expand our footprint to at least five countries in the next year and invest in a new fleet to meet customer's needs. In India, fleet addition will be focused on the Make in India initiative and greening of the tugs. In dredging operations, we are adopting an inside-outside approach, prioritising internal requirements and serving external clients from spare capacity.

### Building excellence for tomorrow

As we expand operations and reinforce our strategic positioning on a global scale, APSEZ will scale innovation, technology, and sustainability to the next level.

We are implementing various in-house innovations and adopting kaizen methodologies to enhance operational efficiency. Digital transformation is also being taken up as a priority. We are upgrading the Terminal Operating System (TOS) and Port Community System (PCS) system across the ports and terminals. Gate automation systems are being deployed to streamline customer journeys, while a culture of data-driven decision-making is being fostered to seize opportunities effectively.

We remain resolute in our commitment to sustainability, with concerted efforts to reduce carbon emissions. We have already deployed electric internal transfer vehicles (ITVs) at container terminals and are in the process of installing 1,000 MW renewable energy capacity in this regard.

We are committed to investing in our human resources, ensuring they are future-ready with a special focus on digital proficiency and leadership development. Our ongoing development programs cater to various organisational levels, and we aim to restrict external hiring only to the cadre level and fill the leadership and managerial positions through internal resources only.

### Outlook

APSEZ remains on track to grow cargo volumes to 460-480 MMT in FY 2024-25 and eventually to 1 billion tonnes by 2030. We are vigilant of the global trade disruptions caused by escalating attacks on ships in the Red Sea and draught in Panama Canal. Although our operations are largely insulated from these challenges, we remain proactive in continuously assessing the situation to adapt our strategy as necessary.

With a growing presence in strategic geographies, our infrastructure will remain a key link in supporting global trade. We are further taking proactive diversification to mitigate risks, ranging from growing non-Mundra volumes to achieving east coast-west coast parity, shifting commodity mix and increasing the share of logistics and marine services. We also focus on growing our international portfolio across South Asia, Southeast Asia, the Middle East, Europe and Africa in partnerships with local entities.

Looking ahead, APSEZ is poised for continued success. As we embark on the next phase of our journey, I extend my heartfelt gratitude to each of you for helping us shape a better future. Your continued support and collaboration will be invaluable as we navigate the dynamic markets and chart a course towards sustainable growth and prosperity.

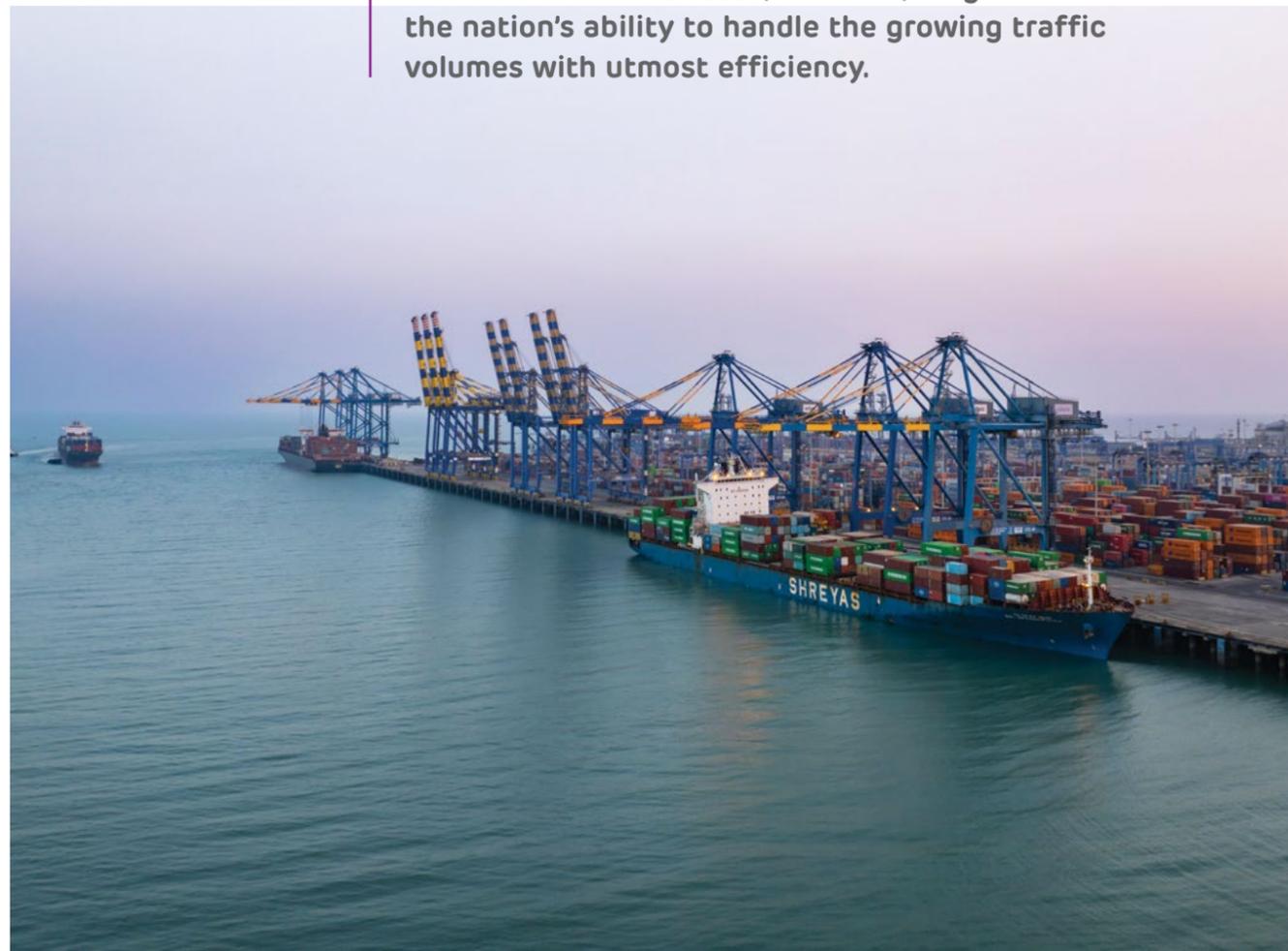
**Ashwani Gupta**  
Chief Executive Officer



**Marine services business is poised for significant growth, and we plan to expand our footprint to at least five countries in the next year and invest in a new fleet to meet customer's needs.**

# Advancing towards becoming the world's largest port operator by 2030

India's ambition to become the global epicentre of manufacturing and supply chain operations is poised to drive a significant boom in the nation's trade traffic. Its success, however, hinges on the nation's ability to handle the growing traffic volumes with utmost efficiency.



At APSEZ, we recognise the critical role of robust port infrastructure in accommodating India's growing trade volumes. We are making strategic investments in the expansion and modernisation of port capacities both domestically and internationally, leading the charge in transforming India into a global trade hub.

## Consolidating position as India's largest private port player

### Strategic initiatives and asset addition

- APSEZ has entered into a definitive agreement to acquire 95% stake in Gopalpur Port Limited (GPL)
- Completed the acquisition and integration of Karaikal Port, strengthening our network of complementary ports across India's coastline for enhanced efficiency and connectivity
- Invested in expanding port capacities, including Dhamra LNG Terminal (a joint venture with TotalEnergies), CB3 berth expansion at Hazira Port and the ongoing development of India's largest transshipment port at Vizhinjam

- Entered a joint venture with the Mediterranean Shipping Company (MSC) for the Ennore Container Terminal, divesting a 49% stake to leverage synergies for mutual benefit and operational excellence

### Debottlenecking and infrastructure modernisation

- Inducted new locomotives at Mundra, Gangavaram and Krishnapatnam Ports, installed cranes at Mundra Port for handling larger rake count and commissioned 9.7 km railway line under phase-1 of Dhamra port railway doubling to enhance the rail handling capacity
- Undertook overhead electrical line extension at Dahej Port and incorporated new e-RTGs and storage tanks at Kattupalli Port

## Building global scale

### Global port expansion

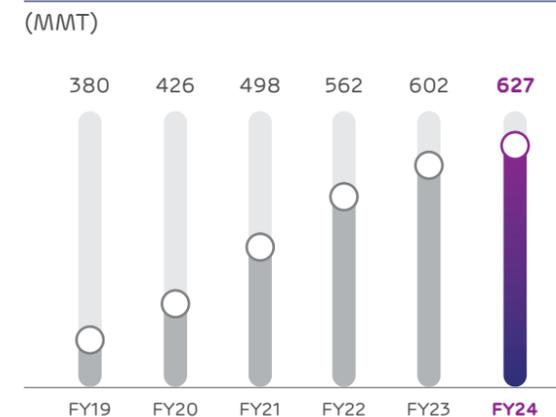
- Successfully ramped up operations at Israel's Haifa Port, country's largest port. The strategic port marks our entry into the mediterranean region and facilitates widening our footprint into the Middle East

### Global contracts and collaboration

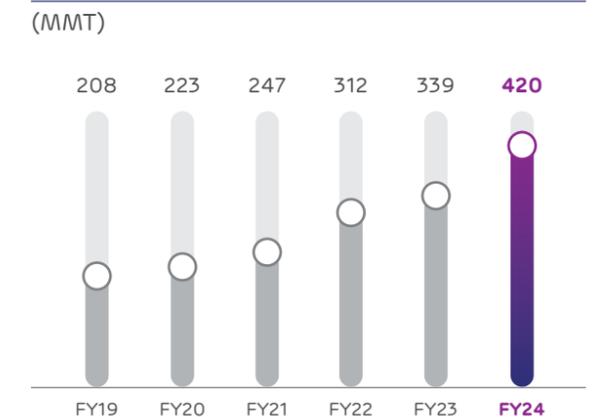
- Operations and maintenance contracts at ports in Australia and Tanzania, solidifying our global reach and contributing to international trade facilitation

## Ports business stronger than ever

### A track of sustained capacity additions (in India)



### Rapid growth in cargo volumes handled



# Mundra Port: A National Benchmark in Port Operations

APSEZ started operations at Mundra Port in October 1998. Since then, we have implemented several pioneering digital and operational initiatives, that have not only transformed it into India's benchmark but have also catalysed a turnaround in India's port landscape.

Our relentless efforts have propelled Mundra Port to achieve new standards in productivity, vessel turnaround and cargo/container evacuation, resulting in faster-than-the-industry growth and superior customer satisfaction. It has further contributed to a wide regional influence and transformed the perception of India, with Mundra emerging as a global trading hub.

## Diverse cargo handling capability

Mundra Port has one of the largest coal import terminals in the world and excels in handling various commodities including dry bulk/break bulk, liquid/crude cargo, containers, Ro-Ro, LPG, LNG and project cargo.

## World-class infrastructure

Mundra Port is equipped with extensive infrastructure enabling high productivity and faster vessel turnaround. This includes berths, container terminals, storage yards, handling equipment, high-speed conveyor system, mechanised bulk cargo handling system, fertiliser cargo complex, silos, internal roads, warehouses and utility corridors.

## Superior connectivity

Strategically situated, Mundra Port is a gateway to the cargo hubs in northern and western India. It enjoys robust connectivity via the Indian National Highway network, State Highway 48 (via Anjar), State Highway 6 and the Western Dedicated Freight Corridor (WDFC). Further, cross-country pipelines to the northern hinterland and double-stack container trains to North India enhance its accessibility.



## Sustainable

Mundra Port is one of India's most responsible and sustainable ports, with a large renewable energy capacity and following best practices for efficient water consumption, waste management and environmental conservation. The use of electrified cranes and ITVs in container terminal operations, along with extensive green zone development, further contributes to its low carbon footprint.

## Supporting industrial ecosystem

Mundra Port encompasses India's largest SEZ, serving as a comprehensive industrial manufacturing platform. Equipped with plug-and-play infrastructure and conducive to business growth, it hosts industries from multiple sectors.

**264 MMTPA**  
cargo handling capacity

**8 mn TEU**  
Container terminal capacity

**12**  
Container berths

**5**  
Container terminals

**>35**  
Services operating from Mundra, offering a global coverage of trade lanes

**33,500**  
Ground slots for container storage (including reefer container facilities)

**8**  
Rail Mounted Gantry Crane (RMGC)

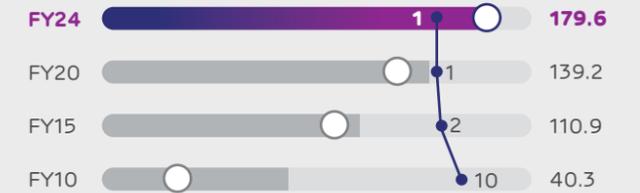
**120**  
Electric/efficient rubber tyred gantry (RTG) crane

**38**  
Modern Quay gantry (QC)/ Ship-to-shore (STS) cranes

## Mundra Port: Leading growth in India's port sector

### Cargo volumes

(MMT)



■ Cargo volumes handled  
● Rank by cargo volumes handled

### Container volumes

(MTEUs)



■ Container cargo volumes  
● % share of India's container volumes

### Transshipment volumes

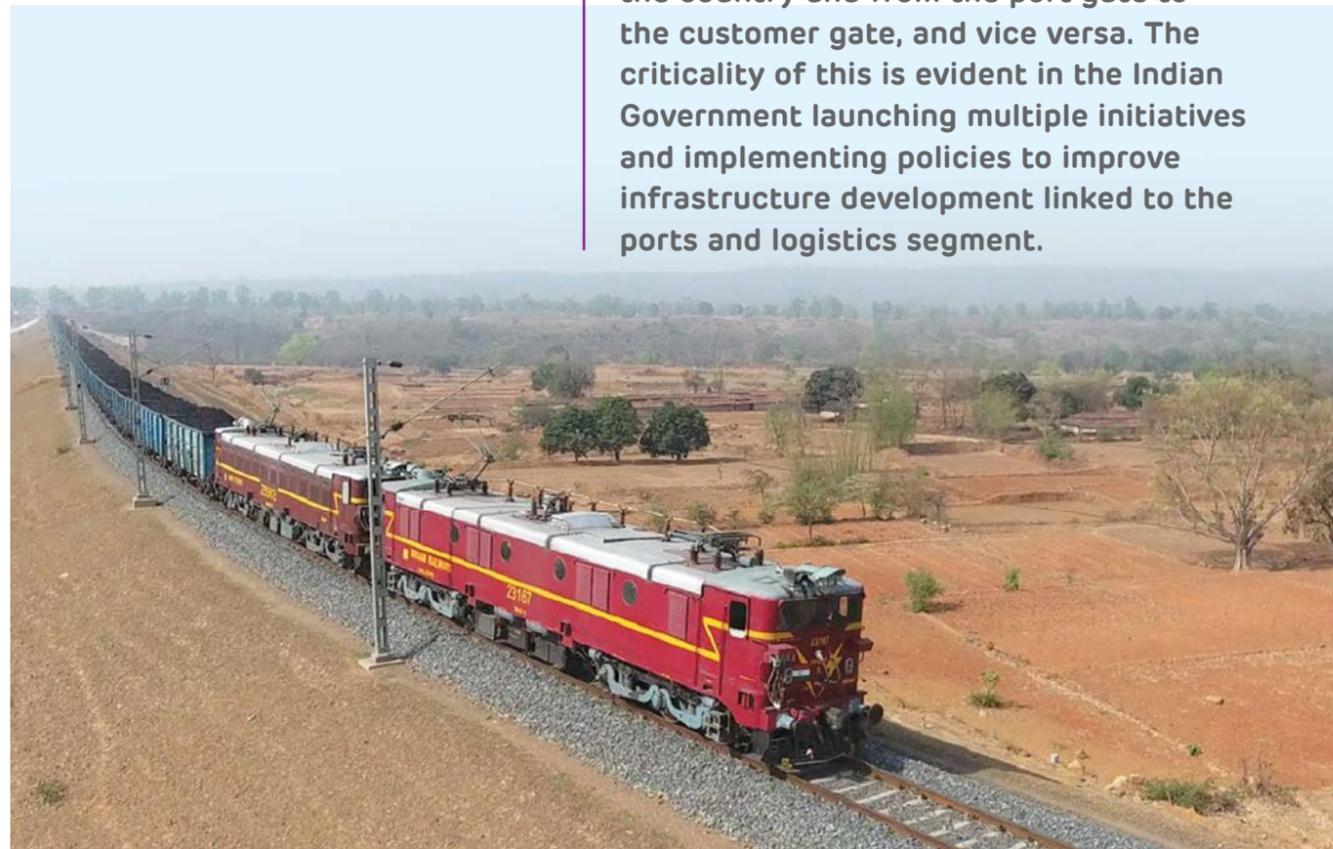
(MTEUs)



■ Transshipment volumes  
● % share of India's transshipment volumes

# Consolidating position as India's largest 'integrated transport utility' powerhouse

Efficient cargo handling at ports is just one part of ensuring the success of the Make in India initiative. Equally crucial is logistical efficiency to ensure the seamless movement of goods within the country and from the port gate to the customer gate, and vice versa. The criticality of this is evident in the Indian Government launching multiple initiatives and implementing policies to improve infrastructure development linked to the ports and logistics segment.



Aligning with this movement, we have revamped our business model to evolve from being a mere 'port operator' to an 'integrated transport utility'. Through incremental investments, we are expanding our logistical capacities to contribute to the enhancement of India's logistical infrastructure and the reduction of inefficiencies.

## Tech-powered integrated logistics

We forayed into the logistics business through our subsidiary Adani Logistics Ltd (ALL) in FY10. Since then, ALL has evolved into one of the largest and most diversified transport utilities with an extensive network of rail, multimodal logistics parks (MMLP), warehousing space and agri silos. Operating on a port gate-to-customer gate model intertwined with our customer's supply chain, it ensures first and last-mile connectivity and single-window services.

The use of technologies like Logistics Operation Command & Control Center, Integrated Transport Management System, Yard Management System etc., further

optimises our supply chain network. These efforts have enhanced our logistical effectiveness, reducing turnaround time and cost for customers.

## Scaling logistical capabilities to new heights

In FY 2023-24, we expanded our logistics portfolio in the following areas:

- Added 34 trains to increase portfolio to 127 trains, with a focus on the General Purpose Wagon Investment Scheme (GPWIS) for dry bulk cargo and container rakes for containers.
- Integrated Loni ICD and Valvada ICD into our supply chain network, optimising asset

utilisation through a hub-and-spoke model. Additionally, we added Virochannagar Multi-Modal Logistics Park (MMLP), bolstering our total network to 12 MMLPs and ICDs.

- Added 0.1 MMT agri silos in Samastipur and Darbhanga, taking the total capacity under management to 1.2 MMT.
- Added 0.8 mn. sq. ft. warehousing space in Indore and Kalyan (Mumbai), enhancing total space to 2.4 mn. sq. ft. of plug-and-play infrastructure, suitable for various sectors and last-mile distribution.
- Added 1 marine flotilla, taking the total capacity to 111.

## Logistics business stronger than ever

ASSETS	FY20	FY24
Marine Flotila*	26	111
Trains	58	127
MMLPs	5	12
Warehousing	0.4 Sq.ft.	2.4 Sq.ft.
Grain Silos	0.88 MMT	1.2 MMT
Rail Tracks	540 KMS	690 KMS
Trucks	-	900

\* indicates tug count

## Leadership in logistics movement

### Rail Volumes

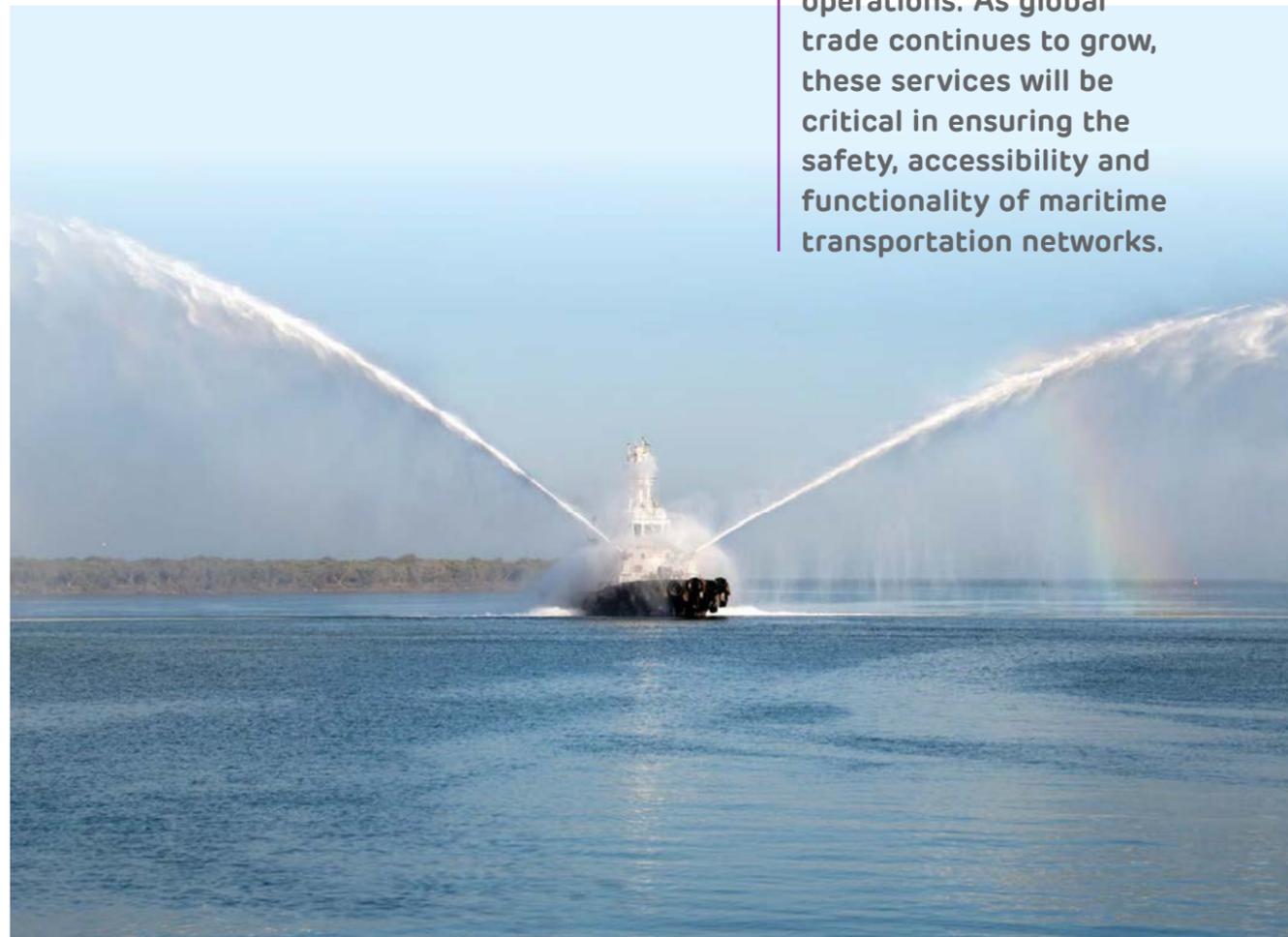
(in Mn TEUs)



■ Rail volume

# Building leadership in dredging and harbour services

Port-related services are indispensable for maintaining and enhancing port infrastructure and operations. As global trade continues to grow, these services will be critical in ensuring the safety, accessibility and functionality of maritime transportation networks.



## Differentiating with marine services

Across most global ports, the terminals are operated by private players, while port authorities take responsibility for key infrastructure and services. This often leads to inefficiencies in information and service flow among various port stakeholders.

At APSEZ, we have transformed the model by assuming complete responsibility for all port-related facilities/services at our ports. This includes owning and operating harbour tugs, barges, other port crafts, ocean towage and offshore support vessels as well as providing marine services like pilotage, stevedoring, yard management, receipt and dispatch of cargo, dredging amongst other services. This comprehensive approach allows us to maintain better operational control and ensure superior efficiency in port activities, resulting in improved experiences for our customers.



## Establishing dominance in marine and dredging services

FY 2023-24 stands testament to our unwavering commitment to strengthening leadership in this domain:

- We reinforced our position as the largest private player in the capital dredging space in India with the largest capacity in terms of cutter suction dredger count. Furthermore, our successful delivery of dredging services in Bangladesh lays the foundation for future international endeavours.
- Besides Capital Dredging, our state-of-art Maintenance Dredging fleet of Trailing Suction Hopper Dredgers, Water Injection Dredger and Grab Dredger, has consistently ensured that Adani's

ever-growing number of Ports and their navigation channels are safe for targeted shipping traffic and trade.

- In addition to serving Adani Ports, our dredgers have also provided commercial dredging services to external clients like Deendayal Port Authority (Kandla), Jawaharlal Nehru Port Authority, Indian Navy, Inland Waterways Authority of India, Petronet LNG Limited etc., contributing to overall trade growth in India.
- APSEZ, along with its subsidiaries, has emerged as the largest third-party marine services provider in India with an impressive fleet of 111 tugs. Notably, Ocean Sparkle Ltd., a subsidiary of Adani Harbour Services Ltd.,

expanded operations into Sri Lanka and Oman, enhancing our international footprint. Its presence across all major ports, 15 non-major ports, and three LNG terminals in India, along with pre-qualification for contracts with Saudi Aramco and in Oman, Kuwait, and Qatar, positions us to expand our marine services presence within India and globally.

- The string of ports across the coastline of the country coupled with superior quality marine fleet, we are positioned to attend and serve to the distress calls of vessels calling India's coastline.

**111**  
Tugs

**28**  
Dredgers

# Empowering India's industrial advancement

**Realising the Make in India vision and elevating India as a global manufacturing hub requires enhancing Indian industries' competitiveness to international standards. This entails empowering them to operate seamlessly, reduce transportation costs and enhance their efficiency.**

At APSEZ, we are leading this effort, leveraging our successful track at our flagship Mundra SEZ. Through collaborations with the government, we are committed to fostering industrial, regional and economic development by developing the hinterland near our ports.

## Industrialising Mundra

APSEZ is a pioneer in the concept of port-based industrialisation. Our endeavours in Mundra SEZ, India's largest industrial SEZ, serve as a model for such development. We have empowered industries to operate efficiently and trade goods with negligible logistics costs, resulting in accelerated port, industry and regional growth. This SEZ is now a full-fledged industrial manufacturing platform and comprises energy, oil & gas, electronics manufacturing, chemicals and other industries.

## Scaling up port-centric development

We hold one of the largest landbanks spanning 16,500+ hectares, including 12,500+ hectares at Mundra and the rest at Dhamra and Krishnapatnam Industrial Zones. Equipped with a plug-and-play infrastructure and strategically located, these zones are prime destinations for industries. We intend to replicate our Mundra success in these regions, proactively undertaking various initiatives to develop the hinterland and promote industrial development.

**16,500+  
Hectares**

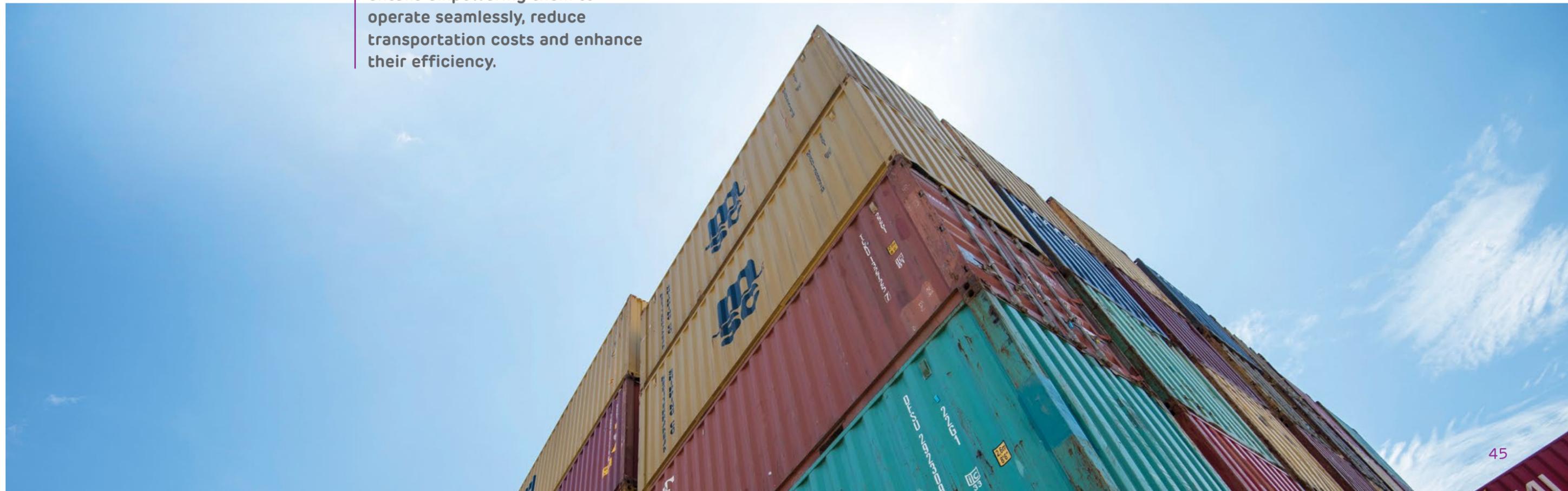
Port, SEZ and Non-SEZ areas at Mundra, Krishnapatnam and Dhamra

**12,500+  
Hectares**

Port, SEZ and Non-SEZ areas at Mundra

**8,000+  
Hectares**

Mundra SEZ



# Strategically Positioned to capture tomorrow's Potential

Over the past years, APSEZ has achieved significant growth while maintaining credit discipline resulting into strong balance-sheet, decreasing leverage ratios and available liquidity at its disposal to tap any future growth opportunities.

Its robust capital management plan provides resilience to withstand any market disruptions and business uncertainties, at the same time ensuring sustainable long term growth.

## Balance Sheet: Stronger than Ever

**₹ 9,817 crore**  
Cash & Cash equivalents  
(as of March 24)

**₹ 5,584 crore**  
Repayment & Prepayment of LT Debt  
(FY24)

**₹ 15,018 crore**  
Net cash flow from operations  
(FY24)

**2.3x**  
Net Debt to EBIDTA  
(as of March 24)

**5.6x**  
FFO Interest Coverage  
(FY24)

**5.4x**  
Debt Service Coverage Ratio  
(FY24)

## Robust Capital Management Plan

Adherence to robust capital management plan has given APSEZ a stronger balance-sheet and ample liquidity to seize any growth opportunity along with maintaining highest possible credit profile.

Employing the effective debt management strategy as part of the capital management plan, APSEZ has prepaid USD bonds amounting to ~USD 325 Mn (due in FY25) in FY24.

## Access to Global Pool of Capital

Strong balance-sheet, excellent track record and highest possible credit ratings for any Indian entity (Domestic – AAA, International – investment grade equivalent to sovereign rating) provides APSEZ access to global pool of capital at competitive rates, which in turn enables it to swiftly consummate any value accretive growth opportunity.

## Improved Financial Matrices

Benefiting from industry beating EBIDTA margins and credit discipline, APSEZ's consolidated Net Debt to EBIDTA ratio has improved from 3.1x in March 23 to 2.3x in March 24.



ABOUT ADANI PORTS AND SPECIAL ECONOMIC ZONE

## India's largest transport utility: Revolutionising ports, logistics and industrial landscape

APSEZ is India's most strategically important transport utility. We operate one of country's largest, most modern and efficient portfolios of ports, logistics infrastructure, port-based SEZs and industrial parks.

Our distinctive model, fortified by advanced technologies, world-class infrastructure and extensive scale, makes us adept in efficiently handling large cargo volumes, aiding logistics cost reduction and Make in India through seamless movement of goods nationwide. This value proposition and a presence across the value chain, solidify our standing as a preferred partner offering port-gate-to-customer-gate solutions.

Our exceptional impact makes us an embodiment of progress, contributing to India's industrialisation, economic development and net zero transition through green transportation (rail and coastal cargo movement). Extending our influence beyond, we are building a presence in strategic global destinations, aiming to become the world's largest port company with integrated logistics offerings and strengthen India's prominence as a global trade hub.



### Profile

APSEZ is India's largest private-sector port player. In just over two decades, we have rapidly grown from a single port to become India's largest transport utility operating 13 domestic ports/terminals (incl. Gopalpur Port) and 2 under construction ports/terminals across 8 maritime states and 1 union territory, and providing integrated services in the ports, logistics and SEZ segments. We hold recognition for our industry-leading performance and best-in-class efficiency, resulting in domestic port EBITDA margins of 71%. We have also expanded operations on a global scale with a presence in Israel, Sri Lanka, Australia and Tanzania.

Our flagship Mundra Port in Gujarat is distinguished as India's largest port and also the largest container handling port. It houses the 8,000+ Hectares Mundra SEZ, India's largest multi-product SEZ, Free Trade and Warehousing Zone (FTWZ) and Domestic Industrial Zone.



### A spotlight on APSEZ's landmark accomplishments

**Largest** Indian port company by cargo handled and installed capacity

**Only indigenous** company with pan-Indian port facilities

**One of the largest** port-based industrial ecosystems in India (Mundra)

**Largest** Indian container handling and import coal handling capacity (Mundra)

**Largest** third party marine services provider and largest capital dredging company in India

**Four ports out of India's five** capable of hosting a fully laden Cape vessel (Mundra, Krishnapatnam, Gangavaram and Dhamra)

**Two of India's top 10** ports in terms of cargo volumes (Mundra and Krishnapatnam)

**Largest** Indian private rail operator of Railway wagons/rakes including container, GPWIS, AFTO and agri rakes

**Longest and first** operator of a private railway line (Mundra to Adipur)

OPERATIONAL ASSET BASE

# Progressive portfolios with string of ports and integrated logistics network

APSEZ excels as a formidable entity, with a robust portfolio covering the port ecosystem and a dominant presence across India's coastline that provides access to 90% of the hinterland. We are also building a global presence, aiming to be a vital link in the global ports network. Our strategic approach positions us to capture opportunities arising from structural trade shifts and increasing consumption trends.

## APSEZ value chain offerings and business edge



### Ports

India's largest private port player and largest third-party marine services provider

**National footprint:** 15 ports across the coastline with ~627 MMT installed capacity

**Global presence:** 2 ports (Haifa Port, Israel and under construction container terminal at Colombo, Sri Lanka) and 2 ports with O&M contracts in Australia and Tanzania

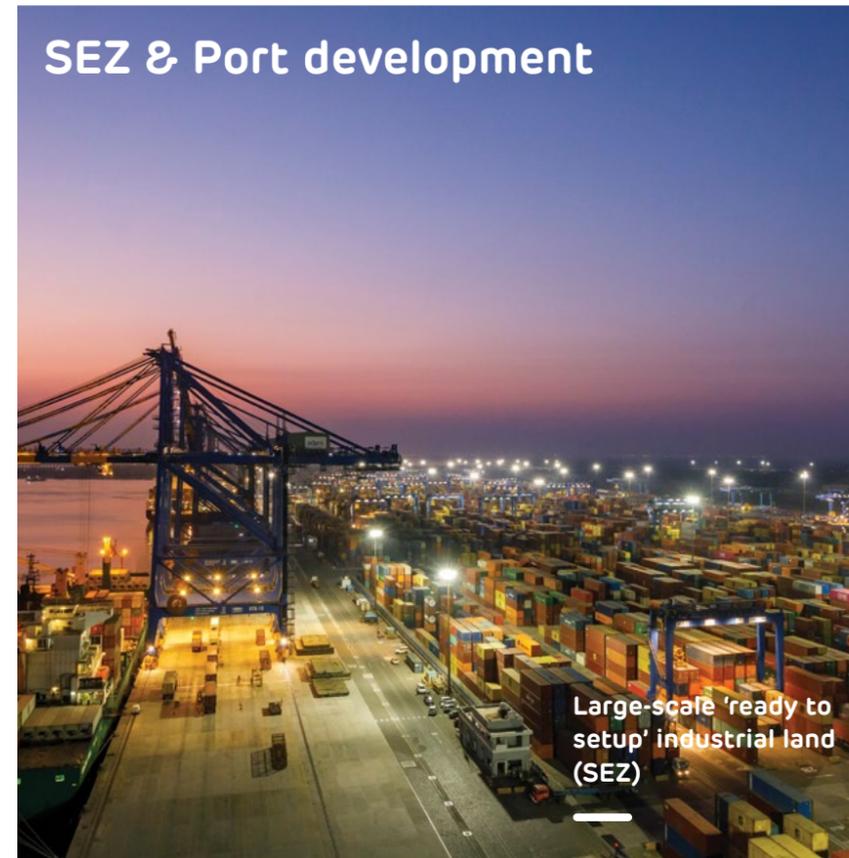
Advanced infrastructure capable of efficiently handling diverse cargo – dry bulk/break bulk, liquid/crude, containers, LNG, LPG and car/vehicle export

Comprehensive harbour services (dredging, vessel management, anchorage, pilotage, tug pulling, berthing, goods handling, internal transport, storage and handling, processing and final evacuation by road or rail)

Marine services provider with 111 tugs serving ports in India, Sri Lanka and Oman

**₹24,125 crore**  
Revenue

**₹15,246 crore**  
EBITDA



### SEZ & Port development

Large-scale 'ready to setup' industrial land (SEZ)

16,500+ hectares (ha) total land bank – 12,500+ ha at Mundra, India's largest SEZ, and 2,000+ ha each in Dhamra and Krishnapatnam Industrial Zones

Supporting industry growth around the ports, bringing port services to customer's gate

**₹413 crore**  
Revenue

**₹98 crore**  
EBITDA



### Logistics (through subsidiary – Adani Logistics Ltd)

Largest integrated logistics player in India

**Extensive infrastructure:** 127 trains, 12 MMLPs, 1.2 MMT grain silos, 2.4 mn sq ft warehousing space, 690 km rail tracks, 900 trucks

Offering first and last-mile connectivity by connecting ports to customer gate

**₹2,079 crore**  
Revenue

**₹540 crore**  
EBITDA

# Pan-India footprint with a growing global presence

Our ports and terminals are located across the Indian coastline on both the west and east coasts of India. On the west coast, Mundra Port, Tuna Tekra terminal in Kandla Port, Dahej Port and Hazira Port in Gujarat, cater to the northern, central and western hinterlands. Mundra Port support regional industries and foster economic growth and have a strategic advantage being situated along the Delhi-Mumbai Industrial Corridor and Western Dedicated Freight Corridor. Mundra Port, in particular, benefits from its proximity to the NCR compared to other ports and efficient rail connectivity to key hinterlands. Hazira Port is an all-weather port, built to serve multiple commodities

such as Oil, Chemicals, Container and Bulk cargo. Its excellent road connectivity and direct berthing facilities, dedicated warehouses, Liquid Tank farms and Open stockyards facilitate faster turnaround of vessels, storage and evacuation of cargoes. Additionally, Dighi Port and our terminal at Mormugao Port caters to the demand-rich hinterland of central and southwestern India.

On the eastern coast, Dhamra Port serves the resource-rich, landlocked hinterland of eastern and northeastern India, Gopalpur Port is located in the mineral rich hinterland with coal mines, iron ore mines and large mineral based industries like integrated

steel plants, alumina plants etc., while Gangavaram Port serves the mineral-rich state of Chhattisgarh and western Odisha. Moving South, Kattupalli Port, Krishnapatnam Port, Karaikal Port and Ennore container terminal cater to the growing industrial hubs in the south. Our under-construction terminal at Haldia would cater to a large hinterland including Bengal, Bihar, Uttar Pradesh, Jharkhand, Assam, Northeastern Hill States and the landlocked neighbouring country of Nepal. Vizhinjam Port, with its proximity to major shipping routes connecting Europe, the Persian Gulf and the Far East, is poised to emerge as a global transshipment hub.

**15**  
ports in India with

**~627 MMT**  
capacity

**4**  
international ports

## Achieving east-west coast parity

Accessibility to  
**90%**  
of India's hinterland



Map not to scale and used for representation only.

Diversification at APSEZ in domestic cargo volumes

Share of Mundra and non-Mundra cargo

FY 2018-19



Share of Mundra and non-Mundra cargo

FY 2023-24



East coast-West coast parity

FY 2018-19



East coast-West coast parity

FY 2023-24



# Recognitions for outstanding operational excellence

## Operational awards

'Non-Major Port of the Year' award at the "**Maritime and Logistics Awards 2023**"

Mundra Port won Sea Port of the Year (for Northern India) award at the '**Northern India Multimodal Logistics Awards**'

Mundra Port secured a prestigious accolade as the non-major port of the year at the 10th **International Samudra Manthan Awards 2023**

Mundra Port was chosen as the '**Port of the Year - Containerised Cargo**' at the Exim Star Awards

Mundra Port was felicitated with the "**Best Port of the Year - Containerised**" award at the Gujarat Star Awards

Ennore Container Terminal was awarded the '**Best Business Partner for FY 2022-23**' for achieving the highest throughput within Kamarajar Port

AICTPL won two awards at the 7th Edition of Maritime Awards held in Mumbai - **Best Port of the Year (Containerised & Non-Containerised in Private Sector)** and **Best Container Terminal of the Year (Volume)**

Ocean Sparkle Ltd. won the prestigious '**Best Company of the Year 2023**' award from Berkshire Media Pvt Ltd and the '**Best O&M Operator**' award by Paradip Port Authority

Adani Logistics awarded with the prestigious **Logistics Excellence Advancement & Performance Shield 2023 (LEAPS)** in recognition of the excellence & innovation in the Multimodal Transport Operators Category

## Sustainability awards

APSEZ recognised **among the top 50 Indian companies** in sustainability by the Business World

Mundra Port won the '**Platinum Award**' in the '**Environment Management**' category by Grow Care India at the 7<sup>th</sup> Annual Environment Award in April 2023 at Delhi

Kattupalli Port won its first ever **Platinum Award** for Sustainability by APEX India Green Leaf

Krishnapatnam Port won the prestigious Gold Award at the **CII Andhra Pradesh Industrial Safety Excellence Awards 2023**

Vizhinjam Port received the International **Safety Award 2023 from the British Safety Council**

APSEZ, Mundra was awarded **Platinum Award by Sustainability Foundation** under the "**Environmental Preservation**" category

KEY PERFORMANCE INDICATORS

# Translating vision into multi-year performance excellence



## Revenue from operations

(₹ crore)



## PAT & PAT margin

(₹ crore)



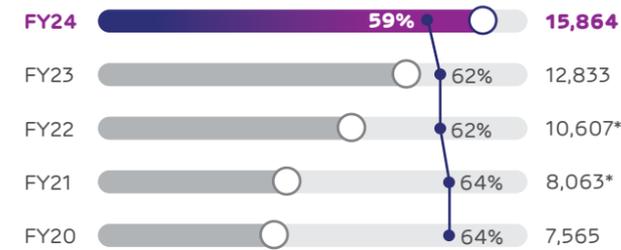
## ROCE

(%)



## EBITDA & EBITDA margin

(₹ crore)



■ EBITDA ● EBITDA margin (%)

\* FY 2020-21 EBITDA excludes a donation of ₹ 80 crore

\* FY 2021-22 EBITDA excludes SRCPL/GPL transaction cost of ₹ 210 crore

## Net Debt to EBITDA

(x)



## Net cash generated from operating activities

(₹ crore)



## Net worth

(₹ crore)



## Net debt & average maturity

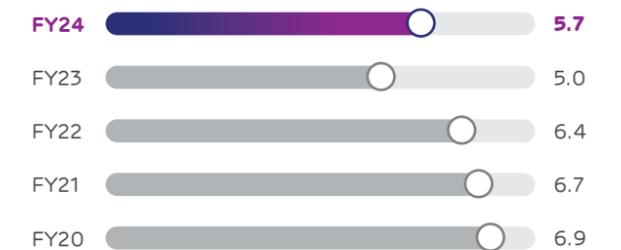
(₹ crore)



■ Net debt ● Average maturity (in years)

## Average debt cost

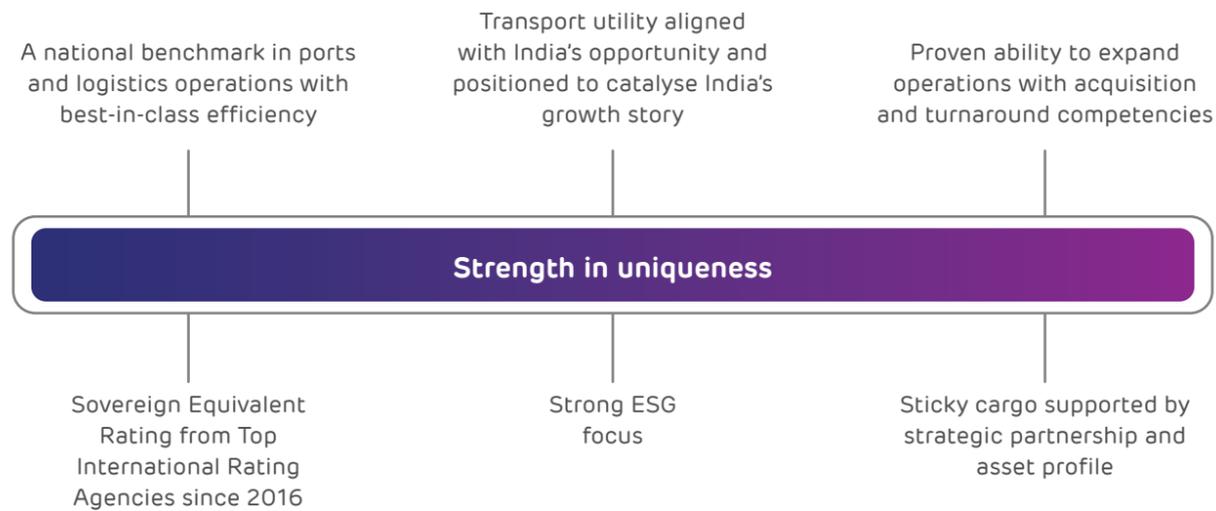
(%)



INVESTMENT CASE

# Built on a transformational business model

APSEZ, with a differentiated approach, has been instrumental in transforming India's port and logistics sector, emerging as a national benchmark. As the Indian economy embarks on a trajectory of fast-paced growth and becoming the world's manufacturing destination, we are attractively positioned to catalyse the nation's competitiveness with our competencies and scale. Our strategic importance sets the stage for a multidecade journey of growth and value, aligned with the nation's progress.



## A national benchmark with best-in-class efficiency

- We have been at the forefront of driving India's port sector transformation, setting new standards in operational efficiency, cost-efficiencies and competitiveness with efforts like:
  - Operating a single-point service delivery model with end-to-end offerings as a sole operator, thereby ensuring better control over operations, moderating transaction processing time and accelerating cargo turnaround
  - Establishing an extensive and complementary network of ports/terminals, resulting in greater synergies, time savings, minimal rehandling and lower expenses
  - Investments in modern infrastructure enables the handling of ultra-large vessels with best-in-class marine and non-marine cargo evacuation systems
  - New age terminal operating system along with Integrated Transport Utility Platform (ITUP) ensures improved efficiency across diverse port operations

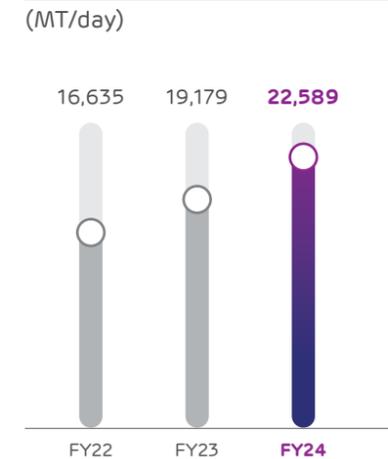
- We offer integrated and highly efficient logistics for first and last-mile connectivity through multimodal transportation including a 690 Km rail line, which yields a high rail co-efficient of 48%. Our Control and Command Center enables optimal asset utilisation, enhancing volume and margin
- We facilitate port-based industrialisation with SEZ land bank, empowering industries to import and export with negligible logistics costs

Amongst the most cost-efficient

**71%**  
Domestic Ports margins

**26%**  
Logistics margins

## Improving vessel productivity for dry cargo



## Transport utility aligned with India's opportunity and positioned to catalyse India's growth story

- India, among the world's largest economies, is poised for rapid growth driven by infrastructure creation, a booming manufacturing sector, a large demographic dividend, increasing consumption and urbanisation. Key to sustaining this momentum is port and logistics-driven economic development, focused on modernisation, capacity augmentation and efficient logistics with last-mile connectivity. The Government of India is also prioritising these aspects through initiatives like Maritime India Vision 2030, National Logistic Policy, Comprehensive Logistics Action Plan, PM GatiShakti and Sagarmala.
- APSEZ is at the forefront of propelling India to manufacture competitively, consume efficiently and export profitably with the following differentiators:
  - **Pan-India presence:** We are India's largest private port players with large-scale capacities. Our ports and terminals span India's east and west coasts with access to 90% of India's hinterland, driving regional development and economic growth. Our assets are also in proximity to oil-rich countries and major maritime trade routes. [Read more Pg. 55](#)
  - **Project development and execution expertise:** Led by an experienced management team, we have a track record of developing and executing projects with speed. We have successfully developed multiple ports and terminals with diverse infrastructure including waterfront, breakwater, onshore backup area, evacuation, and connectivity infrastructure across greenfield, brownfield and terminal locations. Currently, we are leveraging our expertise to develop a mechanised berth at Haldia Dock complex in West Bengal, a semi-automated mega transshipment container terminal at Vizhinjam in Kerala, and West Container Terminal (WCT) at the Port of Colombo, Sri Lanka.
  - **Extensive dedicated infrastructure:** We have developed extensive infrastructure, which combined with technological integration, enables efficient port operations, seamless connectivity and integrated logistics solutions.

- Our multi-purpose ports and terminals, enabled by mechanised facilities and extensive supporting infrastructure, can handle diverse cargo types. Our connectivity infrastructure ensures superior access to hinterlands via regional rail, road and pipeline networks. Additionally, our logistics vertical complements our ports business, enabling us to offer an integrated, efficient and reliable solution to our customers.
- Our infrastructure is empowered by integrated SMART Port technologies, including automation, mechanisation, big-data analytics. This helps enhance operational efficiency while offering real-time updates to customers and visualising the entire cargo value chain.
- Fully integrated services provider for diverse cargo:** Our extensive port and connectivity infrastructure allows offering diverse value-added services like in-house customs clearance, logistics and storage services, making us an end-to-end player. With this, we offer customers the benefit of a single vendor dealing across the value chain, while securing multiple revenue streams

- from additional and bundled service offerings.
- String of ports synergies for India's international trade:** Our network of assets across India's coastline, strategically positions us to facilitate inbound and outbound cargo movements for international trade and coastal shipping. We have also developed container terminals at various locations to facilitate containerised cargo movements. This extensive network enables us to serve as a port of call for the entire Indian subcontinent and meet demand from any part of the country.

## Proven ability to expand operations through acquisition and strategic investments

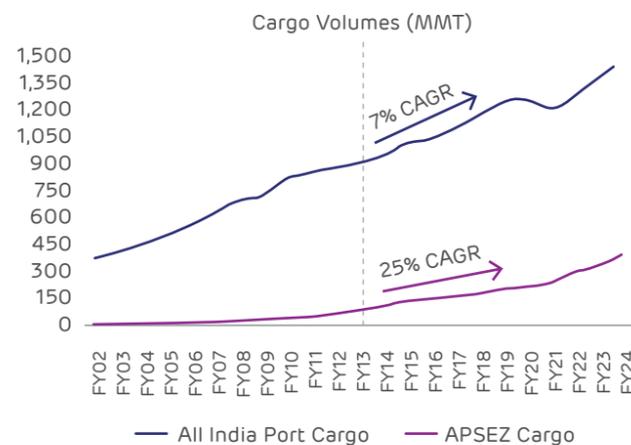
- We have a track record of acquiring and turning around port assets through integration of best practices and investing in capacities for economies of scale, synergies and improved connectivity. Over the last decade, we have executed successful acquisitions, including ports like Dhamra, Kattupalli, Krishnapatnam, Dighi, Gangavaram, Karaikal and Haifa. Our integration has significantly improved their cargo volume and EBITDA margin, while adding significant capacities to our network
- In FY23, APSEZ acquired a stake in Ocean Sparkle Ltd, a global marine services leader, to harness synergies and facilitate our goal of becoming the world's largest port operator by 2030
- We have committed strategic investments for global expansion:
  - Partnership with Gadot to operate Israel's largest port, Haifa Port, marking entry into the Mediterranean and the opportunity to widen the Middle East footprint
  - Partnership with John Keells Holdings PLC and Sri Lankan Port Authority (SLPA) to develop and manage the strategic Colombo Port's International Western Container Terminal
  - O&M contracts at ports in Australia and Tanzania

**11.51 MMT**  
Cargo handled by international ports

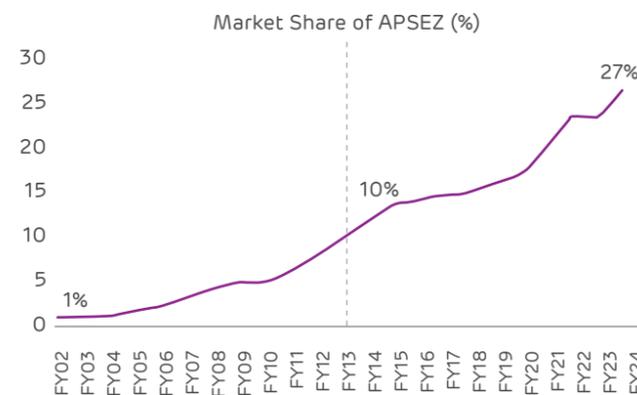
**₹ 3,152 crore**  
FY 2023-24 revenue from international ports

### APSEZ's track record of sustained long-term growth and market leadership

#### All India Cargo Throughput



#### All India and APSEZ Cargo Volumes



## Sovereign Equivalent Credit Rating from Top International Rating Agencies since 2016

International:

**Baa3**  
Moody's

**BBB-**  
S&P and Fitch

Domestic:

**AAA**  
Care Ratings

**AA+**  
India Ratings and ICRA

- Care Ratings has assigned "AAA" rating to APSEZ. With this development, APSEZ has become the first large sized private sector infrastructure developer to get this recognition.
- Further, APSEZ stands out as the only Indian port infrastructure company to receive an Investment Grade rating from leading international rating agencies. This distinction places APSEZ's credit profile at par with the sovereign rating of the Government of India.
- The consistent investment grade rating underscores APSEZ's strong financial credibility and its ability to meet financial commitments. Despite the large acquisitions and Capital Expenditures in the recent past, APSEZ has achieved its guided Net Debt to EBITDA ratio of 2.5x for FY 2023-24.
- The Investment Grade rating opens the Company's access to the global pool of capital. Similarly AAA rating allows the Company to access domestic capital markets to raise funds at most competitive rates.

## Strong ESG focus



**On track for carbon neutrality by 2025 and net zero by 2040; 13% share of renewable energy in total electricity and installation of another 1,000 MW RE capacity progressing well**

**Mundra was the first Indian port to assess its carbon footprint and identify a structured reduction plan**

**Achieved water consumption, energy and emission intensity reduction of 1%, 9% and 3% respectively and 6 ports ensuring zero waste to landfill**

**Governance programme assured by Board committees**

**Improvement in ESG ratings from Dow Jones Sustainability Indexes, Sustainalytics, Moody's and CDP**

## Long-standing customer relationships and strong business partnerships

- We have enduring relationships with top customers, anchored in strategic locations due to our customer centric operations, robust infrastructure and cargo handling capabilities. Our marquee customers include leading state-owned petroleum refineries, government-owned POL distribution companies, power plants, prominent automobile manufacturers, shipping lines and container service providers. These relations have translated into long-term agreements spanning diverse industries and cargo, safeguarding us from economic and commodity price volatility.
- We have entered strategic partnerships with Mediterranean Shipping Company (MSC), CMA CGM in the container segment, Total Energies for LNG Terminal at Dhamra and Indian Oil Corporation in the bulk liquid storage services segment (Indian Oil Adani Ventures Limited), John Keells & Sri Lanka Port Authority for Colombo West International Terminal and the Gadot group for Haifa Port in Israel. APSEZ performs the role of an asset developer and operator in such collaboration, while the alliance partners provide their cargo-sourcing expertise. 56% of our cargo comes from tied-in customers indicating a sticky and stable consumer base.



# 3

## STRATEGIC REVIEW

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116	Operational Performance

Mount Lhotse, the fourth highest mountain in the world

**BUSINESS MODEL**

# A growth model aligned with stakeholder's prosperity and India's future

**The pool of resources used**

- Financial capital**
  - ₹ 54,543 crore net worth
  - ₹ 9,817 crore in cash and cash equivalents
  - ₹ 7,416 crore capex in enhancing ports capacity and logistics network
- Manufactured capital**
  - Amongst largest transport utility with 19 ports (incl. 4 international), industrial land (SEZ) and integrated logistics network
  - World-class ports using a string of ports strategy, equipped with modern technology and infrastructure
  - Stable and scalable operations with diversification across geographies (east-west coast) and cargo type
- Intellectual capital**
  - Robust technology infrastructure driving unprecedented efficiencies and customer experiences
  - 2,919 Employees
- Human capital**
  - 4,46,336 man-hours of skill training and 7,15,074 man-hours of safety training
  - ₹ 2.3 crore spent of employee trainings and developments
- Social and relationship capital**
  - ₹ 112.3 crore CSR spending
  - Strategic partnerships across terminals and ports ensuring cargo stickiness
  - 5,805 suppliers (tier-1)
- Natural capital**
  - Invested ₹ 1,493 crore in environmental initiatives
  - Emphasis on responsible use of natural resources
  - Undertaken comprehensive climate risk assessment

**Our business and operating model**

- Culture**
  - Passion**  
Performing with enthusiasm and energy
  - Dedication**  
Working with commitment in the pursuit of our time
  - Entrepreneurship**  
Seizing new opportunities with initiatives and ownership
  - Results**  
Consistently achieving goals
  - Integration**  
Working across functions and businesses to create synergies
- Values**
  - Courage**  
We shall embrace new ideas and businesses
  - Trust**  
We shall believe in our employees and other stakeholders
  - Commitment**  
We shall stand by our promise and adhere to high standards of business

**Operating an integrated service model**

**Making us a transport utility with a presence across the value chain**

- Ports**  
Versatile ports/terminals along India's coastline handling diverse container and other cargo types
- SEZ**  
Complementing ports with land bank for industrialisation
- Integrated logistics**  
Diversified rail operator with multimodal logistics parks, warehousing and first-last mile connectivity facilitation

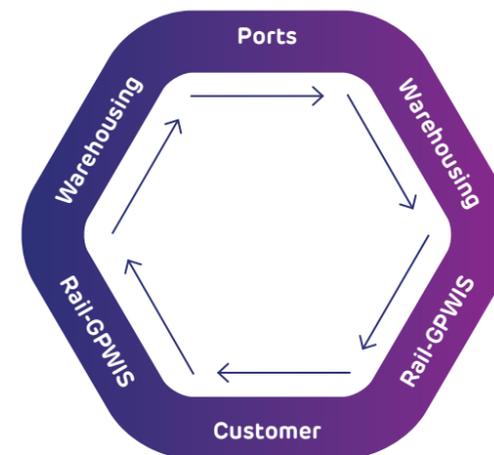
**Outputs**

- 419.95 MMT**  
of cargo volumes handled
- 10.44 Mn**  
TEUs of container volumes handled

**Strategic priorities**

- S1 Take ESG leadership
- S2 Expand footprint nationally
- S3 Increasing our global presence
- S4 Improve business mix
- S5 Scale operational efficiency through focus on safety, talent, technology and innovation
- S6 Customer centricity
- S7 Growth through strategic partnerships and acquisitions

**Enabling port gate to customer gate model with efficiency**



**The outcomes generated**

- Financial capital**
  - ₹ 26,711 crore revenue
  - ₹ 15,864 crore EBITDA
  - ₹ 8,104 crore PAT
  - 2.3x net debt/EBITDA
  - ₹ 6 per share Dividend distributed
  - ₹ 15,018 crore net cash flow from operations
  - 9% net debt reduction
  - Investment grade rating from leading international agencies
- Manufactured capital**
  - Top performing port operator with 67% capacity utilisation in India and 71% domestic EBITDA margins
  - Sticky cargo with 56% volumes from tied-in customers
  - 27% market share in India's cargo volumes and 2 ports amongst the top 10 for their annual cargo volumes
  - 14% growth in rail transport, yielding a rail coefficient of 48%
- Intellectual capital**
  - Agile and efficient transport utility with pricing power
  - Real-time vessel tracking
  - Ease of doing business and timely decision-making
- Human capital**
  - 10% employee voluntary turnover
  - Productive workforce with ₹ 9.66 crore revenue per employee
  - 0.28 injury frequency rate and 0.07 fatality rate with 6 fatalities
  - Employee Net-promoter score of 7.9
- Social and relationship capital**
  - 1.64 Million direct and indirect beneficiaries from social programmes
  - One-stop solution for customers with single window service and offering first and last-mile connectivity
  - Customer satisfaction score of 4.5
  - Supplier satisfaction score of 4.25
  - 73% sourcing from India and 54% within districts and neighbouring districts
- Natural capital**
  - On track for net zero carbon emissions by 2025
  - 13% renewable share in total electricity
  - 9% reduction of Total energy intensity
  - 3% reduction in GHG emission intensity
  - 6 ports ensuring zero waste to landfill

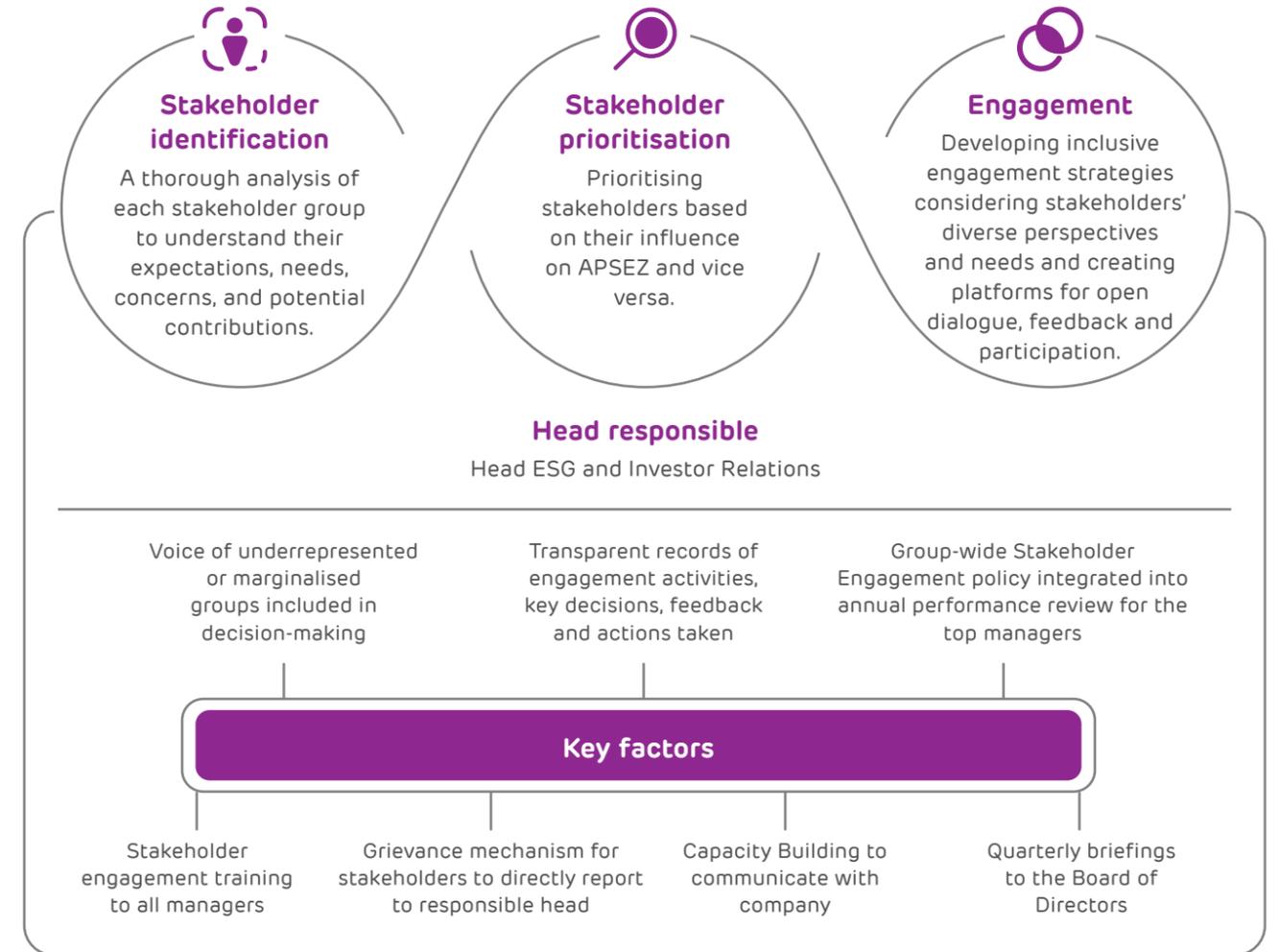
STAKEHOLDER ENGAGEMENT

# Strengthening bonds and enriching lives through collaborative dialogues

We are committed to stakeholders, considering their opinions and concerns through effective engagement mechanisms. This ongoing dialogue helps us in addressing their needs and expectations, fostering mutual trust and respect. The valuable insights gained also helps shape our strategies to reinforce our market leading position and secure long-term growth.



## Our approach to stakeholder engagement



## How we created value for stakeholders in FY 2023-24

### Shareholders and investors

**₹ 8,104 crore**

Profit (all-time high)

**₹ 6** **13%**

Dividend (per share) ROCE

### Customers

**420 MMT**

Cargo handled, offering unmatched benefits in terms of cost, efficiency and experience

### Employees

**₹ 2.3 crore** **68%**

for employee trainings and developments

### Suppliers

Procurement from significant Tier 1 suppliers

### Regulatory authority

**₹ 1,272 crore**

Total direct tax contribution to the national exchequer

### Community

**₹ 112.3 crore** **1.64 million**

Total CSR spend

Direct and indirect beneficiaries

Responding to the needs of stakeholders

<p> <b>Shareholders and investors</b></p> <p><b>Stakeholder importance</b> They provide capital. Engagement underscores our dedication to business growth and value creation, to gain their trust and secure resources for long-term growth.</p> <p><b>Communication Channel</b> AGM, shareholder/investor/analysts meet/conference calls, email, stock exchange intimations, annual report, quarterly results, media releases, Company website</p> <p><b>Frequency</b> Quarterly, as and when required</p> <p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>Dividends, share price appreciation and profitability</li> <li>Financial stability and growth prospects</li> <li>Robust ESG practices and climate change risk mitigation</li> <li>Addressing debt obligation concerns</li> <li>Capital allocation discipline</li> </ul> <p><b>APSEZ response</b></p> <ul style="list-style-type: none"> <li>Future-focused business expansion - completed Karaikal Port acquisition and enhanced logistics infrastructure</li> <li>Bought back bonds, reducing net debt/EBITDA to 2.3x</li> <li>Progress on ESG targets</li> <li>Maintained a minimum pre-tax Internal Rate of Return (IRR) of 16% at the portfolio level for all capital deployed</li> </ul>	<p> <b>Customers</b></p> <p><b>Stakeholder importance</b> They generate business opportunities. Their feedback and insights guide product/service development, enhancing satisfaction and loyalty.</p> <p><b>Communication Channel</b> Customer surveys, website, distributor/retailer/direct customer/achievers meet, senior leader, conferences, joint BD plans, emails, reports, brochures, customer helpdesk/support cells/feedback mechanism</p> <p><b>Frequency</b> Quarterly and annual</p> <p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>Address evolving requirements</li> <li>Transparent and clear information</li> <li>Ease of doing business</li> <li>Cost efficiency</li> </ul> <p><b>APSEZ response</b></p> <ul style="list-style-type: none"> <li>Customer-centric approach and end-to-end solutions for superior service quality and financial outcomes</li> <li>Responsiveness to needs</li> <li>Assistance in adhering to berthing guidelines</li> <li>Surveys to understand EHS management systems and ESG targets</li> </ul>	<p> <b>Employees</b></p> <p><b>Stakeholder importance</b> They are instrumental in operating business and maintaining customer relations. We engage to express commitment to their safety, growth and development, fostering higher engagement and productivity</p> <p><b>Communication Channel</b> Employee/human rights survey, magazines, e-mails, intranet, reports, website, online grievance mechanism, one-to-one interactions, Town Hall meetings, brochures, HR communication, wellness initiatives and workshops</p> <p><b>Frequency</b> Ongoing</p> <p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>Compensation and benefits as per industry standards</li> <li>Health, safety, diversity and inclusion initiatives</li> <li>Training and development</li> <li>Career/performance discussion</li> <li>Addressing human rights issues</li> </ul> <p><b>APSEZ response</b></p> <ul style="list-style-type: none"> <li>13,50,489 manhours training conducted</li> <li>Recognition as a Great Place to Work</li> <li>Hired 31 women, increasing their representation to 3%</li> <li>Performance and career development reviews done for all eligible employees</li> <li>Providing comprehensive compensation and benefits package as well as health, wellness and engagement programmes</li> </ul>	<p> <b>Suppliers</b></p> <p><b>Stakeholder importance</b> They are an important part of our value chain activities. We engage to align them with business objectives and ensure an efficient and productive supply chain to secure steady operations.</p> <p><b>Communication Channel</b> Prequalification/vetting, communication and partnership meets/workshops, plant visits, MoU and framework agreements, online survey, e-mails, ESG/human rights assessment, online grievance mechanism, direct interaction, reports and website</p> <p><b>Frequency</b> Monthly, quarterly, annually, as and when required</p> <p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>Quality and sustainable supply</li> <li>Timely delivery and payments</li> <li>ESG consideration</li> <li>Ethical and fair practices</li> <li>Collaboration, digitalisation and Infrastructure support</li> </ul> <p><b>APSEZ response</b></p> <ul style="list-style-type: none"> <li>Robust supplier code of conduct, onboarding process and supply chain management practices</li> <li>Screening suppliers on ESG factors, and supported them with capacity-building and corrective action plan</li> <li>Surakasha Samvad sessions for safety awareness and Sampark initiative for aligning suppliers with APSEZ's vision and goals</li> </ul>	<p> <b>Community</b></p> <p><b>Stakeholder importance</b> They grant us a social licence to operate. We engage to share information on our work and to understand their concerns and needs. Actions are accordingly taken to maintain positive and healthy relations.</p> <p><b>Communication Channel</b> Community visits and projects, partnership with local charities, volunteerism, seminars/conferences, assessments &amp; surveys, group and one-to-one interactions, meetings, media, website and online grievance mechanism</p> <p><b>Frequency</b> Monthly, quarterly, annually, as and when required</p> <p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>Responsible use of shared resources</li> <li>Creating livelihood opportunity</li> <li>Driving local development</li> <li>Health &amp; safety</li> <li>Environment and biodiversity conservation</li> </ul> <p><b>APSEZ response</b></p> <ul style="list-style-type: none"> <li>Undertaking programmes in the core areas of education, health, sustainable livelihood, skill development and community infrastructure</li> <li>Conducts local stakeholder or community impact assessment</li> <li>Regular survey/reviews of perceptions on engagement strategy</li> <li>Identify emerging key concerns</li> <li>Tracking of grievances</li> <li>Engagement programmes are applied at all operational sites</li> </ul>	<p> <b>Regulatory authority and rating agencies</b></p> <p><b>Stakeholder importance</b> Regulatory authorities frame policies, and engagements help ensure a conducive business environment.  Rating agencies assess our financial strength, and engagements offer them insights into our business performance and strategy, ensuring better rating.</p> <p><b>Communication Channel</b> Reports, website, online applications, presentations, one-to-one interaction, events, e-mails, letters and meetings</p> <p><b>Frequency</b> Annually, as and when required</p> <p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>Timely tax payments</li> <li>Adherence to compliance and human rights practices</li> <li>Sustainability topics of concern including climate change</li> <li>Support and feedback on business performance</li> </ul> <p><b>APSEZ response</b></p> <ul style="list-style-type: none"> <li>No instance of delays in tax and non-compliance</li> <li>Ensured collaborative working regulatory</li> <li>Transparent and timely communication of performance and prospects</li> </ul>
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**MATERIAL MATTERS**

# Prioritising issues key to value creation and business sustainability

**Material issues can influence our business performance and stakeholders, necessitating effective mitigation. We undertake to identify them through needs of our stakeholders alongside monitoring business developments, risks and opportunities, sustainability trends and changes in legislation. We integrate these issues into our ESG agenda and business strategy to manage them and ensure seamless value creation.**

**Approach to materiality**

Since 2015, we conduct materiality analysis annually, updating them through a comprehensive process every two years. Our last such exercise was in FY 2022-23 in collaboration with a third party to gain insights from internal stakeholders (functional heads, and employees) and external stakeholders (suppliers, investors, customers, non-governmental organisations and business associations). We followed the principle of double materiality considering both our organisation's impact on the economy, environment, and society and the impact of society and the environment on our organisation.

In FY 2023-24, no update was made to materiality matrix. However, we reviewed these matters through internal analysis in line with various global frameworks, key trends in the ports and

logistics industry and peer benchmarking. Our team further undertook strategy meets to analyse the material topics and their relative importance was accordingly updated.

**Approach to Materiality Analysis**

Our materiality analysis involved a systematic and methodical approach based on principles of double materiality to identify and prioritise the most critical issues. We commenced the process by gathering pertinent insights through primary and secondary research and proceeded to perform necessary calculations to construct the materiality matrix. We obtained primary inputs by directly engaging with internal & external stakeholders to discuss material issues with various groups, and we also conducted surveys to collect information on a larger scale from our employees.



**Identify**

We gather inputs from internal & external stakeholders, including investors, suppliers, communities, employees, and governments. This includes social media analysis, benchmarking against peers, and reviews of emerging national and global regulations and international standards. Internal insights, such as group and company strategies, risk registers, and policies, are also considered. This comprehensive approach enables us to identify critical ESG topics for our business and stakeholders.



**Assess**

We group issues into common themes and evaluate their importance to stakeholders and potential impact on the business using a defined scoring methodology and materiality matrix. Material Issues are prioritised in a materiality matrix as very high priority, high priority and medium priority.



**Prioritise**

We arrange issues according to their significance and impact to establish an ESG agenda and report content, and some of these topics may have changed in importance over time.



**Monitoring and Validation**

Our materiality approach ensures that the sustainability risks and opportunities faced by our business are integrated into our Enterprise Risk Management (ERM) framework. Our Chief Risk Officer maintains a constant oversight over the process, and the outcomes of materiality assessment results are then validated and signed off by the Board of Directors. The process of materiality assessment and its outcomes are verified by a third party assurance provider.

**Double materiality principle**

**Financial materiality**

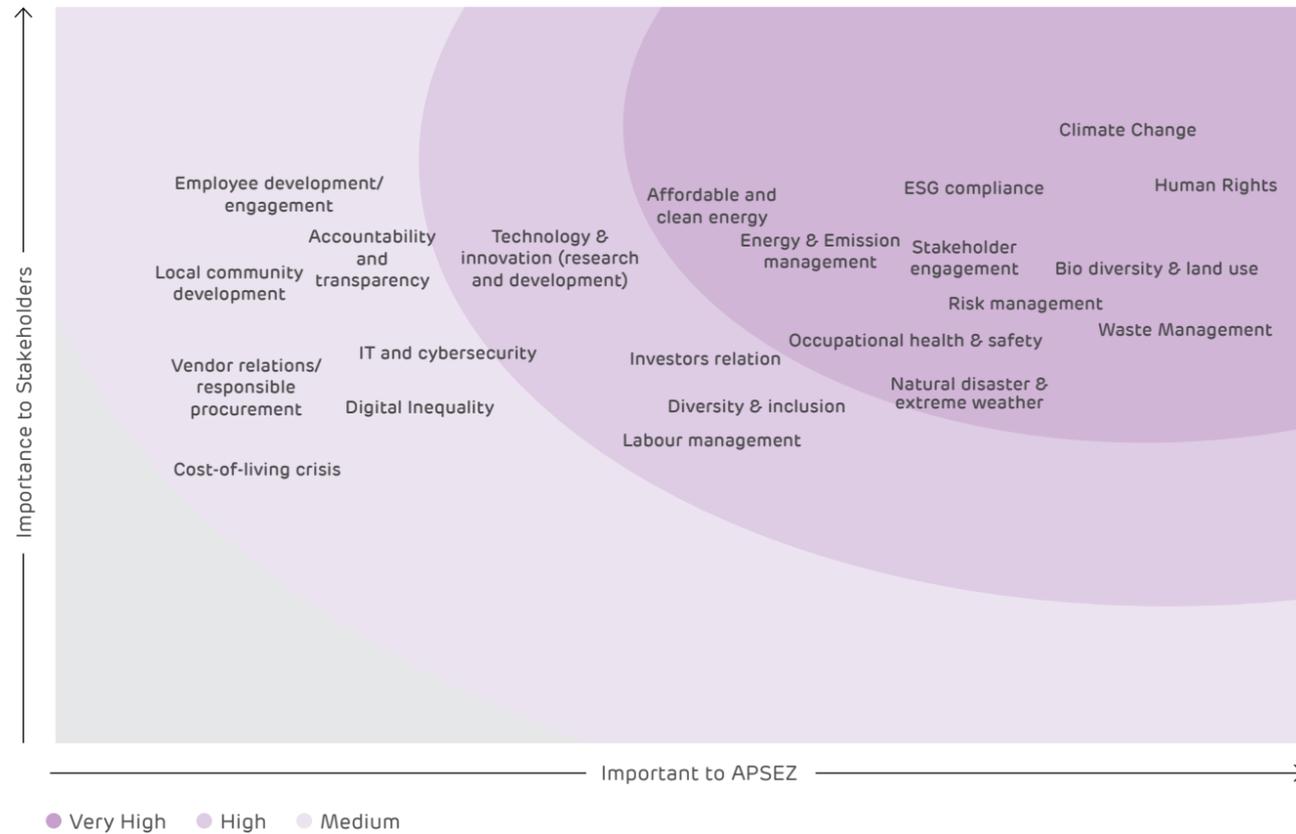
Sustainability matters with the potential to generate risks and opportunities that can influence cash flow over short, medium, or long-term

**Impact materiality**

Sustainability matters having a significant impact on people or the environment, over short, medium, or long-term



Materiality matrix



Focused approach to effectively addressing very high material matters

Environmental

**M1** Climate change

GRI Alignment

- GRI 2-24
- GRI 3-3
- GRI 201-2
- GRI 302
- GRI 305

SDG Alignment

Capital Impacted

Financial Implication

Risk or opportunity and rationale

**Risk:** Climate change poses physical risks, stemming from direct effects like increased frequency and severity of heatwaves, precipitation changes and temperature variability, and transition risks resulting from energy market shifts to mitigate climate change.

Adapting to these risks is necessary amidst growing competition from new entrants and alternative energy sources and the risk of potential regulatory penalties for non-compliance to emission standards.

▼ Negative ▲ Positive

Mitigating actions

- Set a roadmap to achieve Carbon Neutrality by 2025 and achieve net zero by 2040
- Committed to SBTi to mitigate the emissions in our operations and value chain
- Conducted Climate Change Vulnerability Risk Assessment of port business infrastructure and developed an Adaptation Plan to address climate risks

- Implemented energy-efficient measures, such as LED lighting, increasing renewable energy (RE) usage through captive solar and wind power plants.
- Introduction of electric vehicles for cargo transportation
- Aspiration to switch from fossil fuel to green hydrogen

KPIs

- GHG emissions intensity
- % of RE in total electricity
- % of fuel energy in total energy

**M2** Biodiversity and land use

GRI Alignment

- GRI 3-3
- GRI 304

SDG Alignment

Capital Impacted

Financial Implication

Risk or opportunity and rationale

**Risk:** Our business activities, including habitat fragmentation, deforestation and erosion, can result in wildlife habitat loss, degradation of marine ecosystem and a decline in the diversity and abundance of species. This can lead to regulatory and legal risks and harm our reputation.

**Opportunity:** Biodiversity stabilises ecosystems and climate, supports food security and provides ecological services such as water purification and soil fertility, making it of economic, cultural and aesthetic significance. Preserving it enhances our reputation.

Mitigating actions

- Target for Net Positive Impact (NPI) on biodiversity by 2050
- Implemented Environment and social management plans (ESMPs), supporting CII's India Business and Biodiversity Initiative (IBBI) and following IUCN protocol for lighting and dredging to protect endangered ridley turtles and dolphins

- Ports aligned to the Oil Spill Action Plan per the National Oil Spill Disaster Contingency Plan (NOS-DCP), International Petroleum Industry Environmental Conservation Association
- Location-specific Biodiversity Management Plans for all the operational ports and ESMPs for Mundra, Dhamra, Hazira and Vizhinjam as per IFC Performance Standards and the Equator Principles
- Undertaking mangrove afforestation and conservation, terrestrial plantation, grassland protection, threat monitoring of endangered species and biodiversity richness assessment
- Ensuring all developments are outside eco-sensitive area

KPIs

- Total area of mangrove afforestation
- Total area of terrestrial plantation
- Improvement in native species diversity and abundance

▼ Negative ▲ Positive

**M3** Waste management

**GRI Alignment**  

- GRI 3-3
- GRI 306

**SDG Alignment**  

**Capital Impacted**  

**Financial Implication**  


**Risk or opportunity and rationale**

**Risk:** Waste from ships (used oil, solid waste etc.) and waste generated by port-related activities can harm the environment including marine ecology.

**Mitigating actions**

- Adhering to the principles of sustainable consumption and production
- Following applicable rules and regulation for management of waste including State Pollution Control Board, E-Waste Management Rules of 2016 and the Batteries Waste Management Rules of 2016

- Implemented the 5R (reduce, reuse, recycle, recover and reprocess) approach with stewardship efforts on waste recycling
- Focus on reuse and recycling of wastewater, zero waste to landfill and conversion of waste to fuel
- Prioritised addressing marine pollution
- All our operational ports are single-use plastic free

**KPIs**

- No. of sites certified with zero waste to land
- Quantity of waste generated
- % of waste recycled, reused, reprocessed and recovered

**M4** Natural disaster & extreme weather

**GRI Alignment**  

- GRI 3-3
- GRI 2-24
- GRI 201-2

**SDG Alignment**  

**Capital Impacted**  

**Financial Implication**  


**Risk or opportunity and rationale**

**Risk:** Natural disasters and extreme weather events can result in the loss or damage of port facilities, equipment and cargo.

**Mitigating actions**

- Environmental and social management framework

- Undertaken site-specific ESMP, shoreline impact assessment and afforestation
- Emergency preparedness plan

**KPIs**

- Total number of sites covered under ESMPs

**M5** Energy and emission management

**GRI Alignment**  

- GRI 3-3
- GRI 302
- GRI 305

**SDG Alignment**  

**Capital Impacted:**  

**Financial Implication**  


**Risk or opportunity and rationale**

**Risk:** Greenhouse gas emissions, resource utilisation and energy consumption by our operation can impact the environment and the health and well-being of stakeholders.

**Mitigating actions**

- Continued efforts to identify and assess the potential for energy reduction in operations

- Adoption of the Best Available Technology (BAT) for energy efficiency and GHG and non-GHG emissions reduction including the use of Renewable Energy

**KPIs**

- Specific energy consumption
- Reduction in emissions intensity

**M6** Water management

**GRI Alignment**  

- GRI 3-3
- GRI 303

**SDG Alignment**  

**Capital Impacted**  

**Financial Implication**  


**Risk or opportunity and rationale**

**Risk:** Inefficient water management and excessive freshwater consumption cause water scarcity, ecosystem degradation and conflicts over access. This poses threats to human health, agriculture and overall ecosystem well-being and can impact the long-term success and viability of our operations.

**Mitigating actions**

- Water stewardship with continuous monitoring and measurement
- Deployed effective water and effluent management and localised water strategies

- Zero Liquid Discharge initiative to enhance efficiency of effluent treatment plant
- Commitment to CEO Water Mandate
- Set targets for reducing water consumption intensity, water withdrawal, WASH assessment and entering alliances for water stewardship certification

**KPIs**

- Specific water consumption
- Wastewater recycled
- Water intensity

**M7** **Affordable and clean energy**

<b>GRI Alignment</b>	<b>SDG Alignment</b>	<b>Capital Impacted</b>	<b>Financial Implication</b>
<ul style="list-style-type: none"> <li>GRI 3-3</li> <li>GRI 302</li> </ul>	 		▲

**Risk or opportunity and rationale**  
**Opportunity:** Affordable and clean energy at ports involve initial investments in renewable infrastructure. While these upfront expenses may seem high, there are long-term financial benefits that can be achieved through reduced energy consumption, lower maintenance cost and potential revenue streams from excess energy generation. Moreover, embracing clean energy aligns with environmental regulation, attracting eco-conscious partners and stakeholders.

**Mitigating actions**

- Installation of captive solar and wind power plants
- Green power purchase agreements

**KPIs**

- % of RE in total electricity

Social

**M8** **Human rights**

<b>GRI Alignment</b>	<b>SDG Alignment</b>	<b>Capital Impacted</b>	<b>Financial Implication</b>
<ul style="list-style-type: none"> <li>GRI 3-3</li> <li>GRI 406</li> <li>GRI 407</li> <li>GRI 408</li> <li>GRI 409</li> </ul>	  		▼▲

**Risk or opportunity and rationale**  
**Risk:** Weak governance and legislation to protect human rights can cause failure to account for the rights of indigenous people. This can lead to imposition of fines, legal actions and loss of reputation.  
**Opportunity:** Upholding human rights promotes inclusive environments that foster respect and cooperation, leading to community peace and development, employee well-being and satisfaction of suppliers and customers.

**Mitigating actions**

- Human rights strategy aligned with the UN Guiding Principles
- Conducting human rights assessments covering all stakeholders

- Ports and offices evaluated on child/forced/involuntary labour, sexual harassment, discrimination and fair wages
- Promoting a discrimination-free culture with diverse employee capabilities
- Emphasising responsible recruitment
- Supplier assessment before onboarding
- Making quality health accessible to communities
- Internal audits for adherence and robust grievance mechanism to address concerns

**KPIs**

- Incidents of discrimination and harassment

▼ Negative ▲ Positive

**M9** **Occupational health & safety (OHS)**

<b>GRI Alignment</b>	<b>SDG Alignment</b>	<b>Capital Impacted</b>	<b>Financial Implication</b>
<ul style="list-style-type: none"> <li>GRI 3-3</li> <li>GRI 403</li> </ul>	 		▼

**Risk or opportunity and rationale**  
**Risk:** Our workforce engaged in various port and logistics activities faces significant health and safety risks, resulting from unsafe conditions and unsafe acts. These hazards can lead to occupational injuries and operational losses.

**Mitigating actions**

- Adani Safety Management System covering Group/Business/Site OHS policy, governance, felt leadership, standard operating procedures, RACI (responsibility, accountability, consulted and informed), goals & objectives and 10 lifesaving safety rules
- Process Safety Management (PSM) and safety leadership at all levels

- Focus on zero harm, improving hazard identification, risk management, industrial hygiene and occupational health, emergency response programme and contractor safety management standard
- Safety training including simulator-based programs

**KPIs**

- Lost Time Injury (LTI)
- Lost Time Injury Frequency Rate (LTIFR)
- Fatalities

**M10** **Stakeholder engagement**

<b>GRI Alignment:</b>	<b>SDG Alignment</b>	<b>Capital Impacted</b>	<b>Financial Implication</b>
<ul style="list-style-type: none"> <li>GRI 3-3</li> <li>GRI 2-20</li> <li>GRI 2-25</li> <li>GRI 2-26</li> <li>GRI 2-30</li> </ul>	  		▼▲

**Risk or opportunity and rationale**  
**Risk:** Inability to address stakeholder needs and expectations that impact relations and long-term business growth potential.  
**Opportunity:** Effective stakeholder engagement helps balance their needs and expectations with those of the business and address their grievances, strengthening relations. It also helps gain insight into the material issues that shapes wider strategy.

**Mitigating actions**

- Ongoing engagements with stakeholders along with surveys, feedback and grievance management

- Specialised channels such as public meetings, vendor-focused committees, 'Speak Up', toll-free numbers and platforms, such as Ariba and construction conclaves and similar events

**KPIs**

- Customer Satisfaction Score
- Vendor Satisfaction Score
- Employee Engagement Score
- Stakeholder grievances raised and addressed

▼ Negative ▲ Positive

Governance

M11

Financial Implication ▼

**ESG compliance**

- GRI 3-3
- GRI 2
- GRI 205
- GRI 206

GRI Alignment

SDG Alignment



Capital Impacted



**Risk or opportunity and rationale**

**Risk:** ESG compliance entails increased regulatory compliance costs, potential reputation damage, and the need for operational adjustments that may disrupt short-term efficiency.

**Mitigating actions**

- Consistent improvement in our disclosures through the <IR> framework, CEO water mandate and UNGC communication on progress
- Engagement with ESG rating agencies to improve disclosure practices and enhance access to sustainable finance

**KPIs**

ESG scores and ratings in:

- CDP
- DJSI
- Moody's
- Sustainalytics

Updating the Company's website periodically to enhance transparency and meet stakeholder requirements

M12

Financial Implication ▼

**Risk management**

GRI Alignment

- GRI 2-24

SDG Alignment



Capital Impacted



**Risk or opportunity and rationale**

**Risk:** Inability to effectively identify and mitigate the various risks facing the business that can impact operations and profitability.

**Mitigating actions**

- Enterprise risk management committee
- Standardised ERM process to identify and assess the risk on regular basis.

**KPIs**

- Number of Risk management committee meetings
- Number of sites covered with the ERM process

Top three material matters

Human rights

**Business Case**

Port operations in areas with weak governance and legislation to protect human rights, face community related risks, causing failure to account for rights of indigenous people. At APSEZ, we recognise the importance of universal values, emphasis on human rights and the rights of indigenous people. Upholding human rights is essential for protecting organisation's communities, employees and other stakeholders for avoiding stakeholder liabilities.

**Business Strategy**

- We foster a culture free from discrimination and powered by diverse employee capabilities.
- We regularly conduct human rights assessment for employees, suppliers, customers and communities.
- We provide awareness and training to suppliers on human rights.
- All our ports and offices are assessed on aspects such as child labour, forced/ involuntary labour, sexual harassment and discrimination at workplace and wages.
- Each year we aim to complete the human rights assessment for all operating sites.

**Target metric**

- Target year for 100% of operating sites with human rights impact assessment - FY24.

**Progress**

- 100% of operating sites assessed for human rights impacts in FY24.

**Business Impact**

Risk

Climate change

**Business Case**

Physical and transition risks related to climate change directly impact our business. Physical risks comprise the direct consequences of climate change such as increased frequency and severity of heatwaves, changes in precipitation patterns and temperature variability. Whereas transition risks refer to changes in energy market because of efforts to mitigate climate change. Adapting to climate change risks is necessary for our business model, as we face increased competition from new entrants and alternative energy

sources, as well as risk of regulatory penalties for noncompliance with new emission standards.

**Business Strategy**

- We have taken steps to mitigate the emissions in our operations and value chain by committing to SBTi
- We have implemented energy-efficient measures, such as the use of LED lighting
- Aspire to switch from fossil fuel to green hydrogen
- Increase of renewable electricity in total electricity

**Target metric**

- Green Ports and carbon neutrality by 2025
- Net zero by 2040

**Progress**

- Climate risk assessment conducted for 12 ports

**Business Impact**

Risk

**Biodiversity and land use**

<p><b>Business Case</b></p> <p>Business activities such as habitat fragmentation, deforestation and erosion can lead to loss of habitats for wildlife, as well as decline in diversity and abundance of species. Ecosystem and biodiversity has an impact on our operations as noncompliance to land-use, greenfield expansions, rehabilitation and redevelopment etc. can expose it to regulatory and legal risks.</p>	<p><b>Business Strategy</b></p> <ul style="list-style-type: none"> <li>Development footprint is kept outside Eco-sensitive area.</li> <li>We have aligned our ports to Oil Spill Action plan in accordance with the National Oil Spill Disaster Contingency Plan (NOS-DCP), International Petroleum Industry Environmental Conservation Association.</li> <li>We assess the results of approved projects that are required to be released on half-yearly basis to the relevant authorities.</li> <li>We have signed a CII supported India Business and Biodiversity Initiative (IBBI).</li> </ul>	<p><b>Target metric</b></p> <ul style="list-style-type: none"> <li>Net Positive Impact on Biodiversity across all the operational sites by 2050</li> </ul> <p><b>Progress</b></p> <ul style="list-style-type: none"> <li>1,267 hectares of terrestrial plantation executed</li> <li>4,240 hectares of mangrove afforestation</li> <li>Site-specific Biodiversity Management Plan</li> </ul> <p><b>Business Impact</b></p> <p>Risk</p>
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**Impact on External Stakeholders**

**Human Rights**

<b>Cause of the Impact</b>	Operations	<b>External stakeholder(s)/ Impact area(s) evaluated</b>	Social (Community, employees, suppliers, and customers)
<b>Type of impact</b>	<p><b>Positive Impact</b></p> <p>Human rights empower individuals by guaranteeing fundamental freedoms, such as freedom of expression, assembly, and religion. Human rights protect against discrimination and oppression, promoting equality and social justice. They serve as a foundation for democracy, rule of law, and accountable governance. By upholding human rights, societies can create inclusive environments that foster respect, tolerance, and cooperation, ultimately leading to peace, development, and human flourishing.</p>		
<b>Quantitative impact</b>	<p><b>Output Metrics</b></p> <ul style="list-style-type: none"> <li>Improved customer satisfaction scores (from 4.3 to 4.5 out of 5)</li> <li>Zero incident of harassment &amp; discrimination</li> </ul> <p>Impact valuation is no. of incidents recorded.</p>	<p><b>Impact Metric</b></p> <ul style="list-style-type: none"> <li>Employee [78%] &amp; supplier [4.8%] awareness on human rights protection &amp; issues</li> <li>Safety SOPs and Company Code of Conducts</li> <li>Gender diversity of new hires increased by 19% than last year.</li> <li>Human rights risk identification and mitigation for all stakeholders</li> </ul>	

**Biodiversity**

<b>Cause of the Impact</b>	Operations	<b>External stakeholder(s)/ Impact area(s) evaluated</b>	Environment (Community)
<b>Type of impact</b>	<p><b>Positive Impact</b></p> <p>Biodiversity provides ecosystem stability, supports food security, offers medicinal resources, holds economic value, regulates climate, has cultural and aesthetic significance, and provides ecological services such as water purification and soil fertility. Preserving biodiversity is crucial for these benefits and overall well-being.</p>		
<b>Quantitative impact</b>	<p><b>Output Metrics</b></p> <ul style="list-style-type: none"> <li>Increase in mangrove afforestation [6%]</li> <li>Improved native species diversity and abundance in conservation areas and operational sites</li> </ul> <p>Impact valuation is increase or decrease in flora &amp; fauna.</p>	<p><b>Impact Metric</b></p> <ul style="list-style-type: none"> <li>Mangrove plantation and conservation, terrestrial plantation, and grassland protection</li> <li>IUCN protocol followed for lighting &amp; dredging to protect endangered species (ridley turtle &amp; dolphins)</li> <li>Regular monitoring of any threat to endangered species and assessment of biodiversity richness at the operational/ conservation site</li> </ul>	

**Water Management**

<b>Cause of the Impact</b>	Operations	<b>External stakeholder(s)/ Impact area(s) evaluated</b>	Environment, Social (Community)
<b>Type of impact</b>	<p><b>Negative Impact</b></p> <p>Inefficient water management and excessive freshwater consumption can result in water scarcity, ecosystem degradation, and conflicts over access. Unsustainable practices contribute to environmental damage, including pollution and depletion of freshwater sources, threatening human health, agriculture, and the overall well-being of ecosystems.</p> <p>At APSEZ, effective water and effluent management is deployed to reduce risk of environmental pollution, maintaining compliance with regulations, reducing costs and conserving valuable water resources. Proper water and effluent management are critical for long-term success and viability of our operations</p>		
<b>Quantitative impact</b>	<p><b>Output Metrics</b></p> <p>Impact valuation is increase or decrease in flora &amp; fauna in marine ecosystem.</p>	<p><b>Impact Metric</b></p> <ul style="list-style-type: none"> <li>Loss of fisheries production due to oil spills</li> <li>Recycling of 92% wastewater generated</li> <li>1% reduction in water intensity</li> </ul>	

**RISK AND OPPORTUNITIES**

# Navigating a dynamic landscape, safeguarding our future

Our business is directly or indirectly affected by several risks stemming from external and internal uncertainties as well as emerging factors like climate change and technological shifts. We proactively identify, mitigate and monitor all such risks to ensure long-term growth.



## Risk governance

Our ERM is anchored in a systematic framework guided by robust governance mechanisms. The Risk Management Committee (RMC), consisting of three non-executive directors, two of whom are independent, oversees the implementation and monitoring of our risk management plan. They meet quarterly to ensure a thorough review of risk exposure and planning on behalf of the Board. The Audit Committee, chaired by Independent Director Mr G. K. Pillai, provides additional oversight on financial risks and controls. His vast experience helps develop financial policies and strategies, enriching Board deliberations for identifying and mitigating internal and external risks including systems and processes for internal control of identified risks and mitigation plans. The major risks identified by the business are systematically addressed through mitigation actions and relevant risk criteria are incorporated in the port and logistics services we provide.

The operational risk ownership lies with the Business Heads who have the responsibility to manage risks in the day-to-day operations. The Head of ESG (Chief Risk Officer), supported by the risk management team, has the responsibility to set control standards and oversee compliance with them while the Management Audit & Assurance Services (MA&AS) team has the responsibility to perform independent audit and provide assurance on the effectiveness of risk management and compliance processes.

The ESG Head reports to the CEO to maintain independence from other business functions and is answerable to the RMC on all risk management matters. The MA&AS team, which comprises qualified executives, conducts audits spanning all functional areas through the year and reports to the Chairman of the Board. The scope of internal audits includes the review of various ESG control processes, performance metrics and data. We also conduct audits with the help of an external agency on our Risk Management Processes.

## ERM framework and risk management process

We have established a robust ERM framework that supports the identification, measurement, monitoring, mitigation and reporting of risks in a timely and comprehensive manner. It enables minimising the adverse impact of risks on key business objectives

and leveraging opportunities. We have integrated risk management into the business planning and compliance functions. Furthermore, we create ERM awareness and training sessions, including function-specific risk training and multi-functional training on topics like climate change or sustainability.

Our Board-approved Risk Management Policy comprised of material risks that have been identified and assessed. We set up a policy framework for ensuring better management of risk profile and provided importance to prudent project (conceptualisation, implementation, and sustenance) practices, putting in place suitable risk mitigation measures. Our risk management framework sought to minimise the adverse impact of risks on key business objectives, enabling us to leverage opportunities. We have designed and operated our risk assessment model taking into account both quantitative and qualitative data.

## Risk management in FY 2023-24

### Meetings conducted

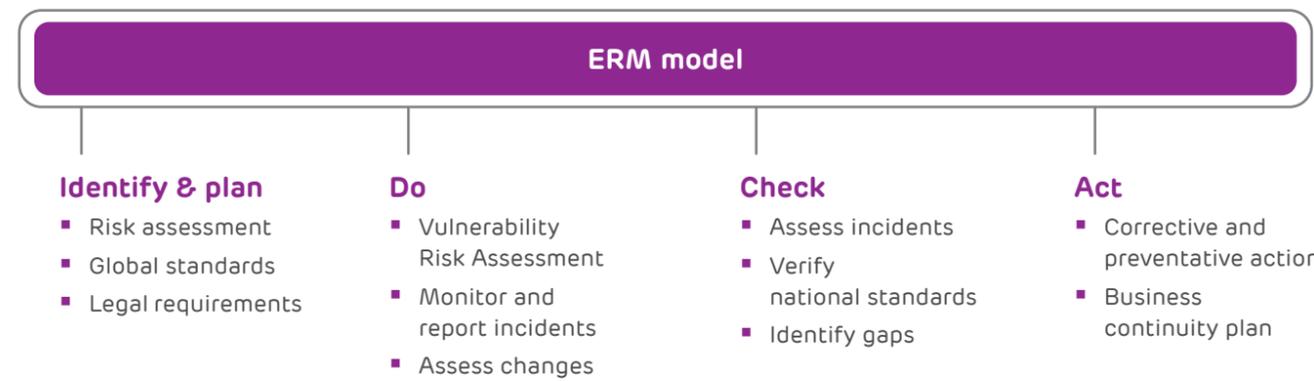
During FY 2023-24, the Risk Management Committee conducted 4 meetings.

### Functions performed

The Executive Management and/or Risk Management Committee performed the following functions:

- Periodic review and approval of various business proposals for their corresponding risks and opportunities
- Guided risk supervision, risk assessment and risk management
- Developed risk assessment and measurement systems
- Established policies, practices and other control mechanisms to contain risks
- Reviewed and monitored the effectiveness and application of risk management policies, related standards and procedures
- Reviewed and identified risks in cyber security and management areas

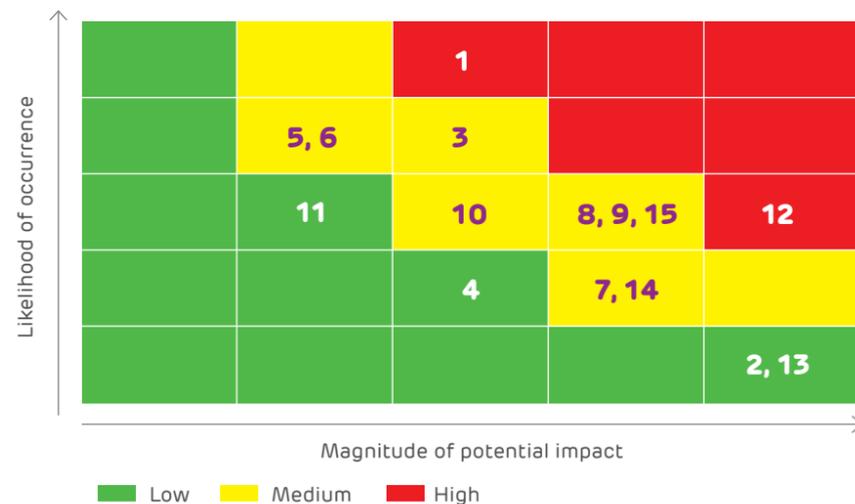
**Risk management process**



**Risk management at Adani Ports**

During FY 2023-24, we proactively identified and addressed risks through preventive measures and mitigation plans. Risk appetites, outlining the acceptable risk levels for goal achievement were established by the risk management team and approved by the RMC. The team further conducted quarterly assessments to compare actual risk exposure and acceptable level, and gaps were reported to the management and the RMC.

**Risk heat map**



**External risks**

1. Industry risk
2. Political risk
3. Regulatory risk
4. Competition risk

**Operational risks**

5. Technology risk
6. Climate risk (physical & transition)
7. Timely project commissioning risk
8. Controls risk
9. Financial risk

**Strategic risks**

10. Geographic focus risk
11. Land availability risk
12. Human rights risk
13. Debt repayment risk
14. Returns risk
15. Liquidity risk

**R1**

**Industry risk**

**Responsibility**

Business Development  
Head of each SBU & Team

**Capitals at risk:**



**Strategy at risk**

S2, S3, S4

**Risk description**

Any slowdown in economic activity or a slowdown in a particular sector can result in cargo demand from the port not materialising as forecasted.

**Impact on value**

Lower demand can affect port utilisation and revenue predictability

**Mitigating actions**

- Our ports are spread across India with most having multi-commodity capabilities, minimising risks from regional or commodity dependencies

- Developed container terminals along Indian coastline to capture fast-growing container cargo opportunity
- Established a presence in four international ports as part of our global strategy
- All our port locations were carefully selected based on a relatively under-explored demand pattern that has only grown over time
- Augmented cargo capabilities in areas of importance in India, including LNG and LPG that support the transition to a gas-based economy

R2

### Political risk

#### Responsibility

Site CEO's office, CEO's office, Corporate Affairs

#### Capitals at risk:



#### Strategy at risk

S2

#### Risk description

The risk of a review of the existing policies or regulatory approvals with any change in government.

#### Impact on value

Reduced attractiveness and growth prospects of the sector and corporate

#### Mitigating actions

- We maintain a neutral stance and refrain from taking sides or making any political contributions
- Our operations are spread across various Indian states which are governed by different political parties

R4

### Competition risk

#### Responsibility

Site CEO's office, Business team

#### Capitals at risk:



#### Strategy at risk

S2, S4

#### Risk description

A sharp increase in competitive ports for cargo can impact our business.

#### Impact on value

Pressure on pricing and impact on revenues and margins

#### Mitigating actions

- Majority of our revenue comes from India, where we are the largest private player, competing primarily with government ports

- Our efficient operations driven by technology and automation, cost advantage, ESG practices and integrated ports-cum-logistics service make us a preferred partner
- We have a proven track record of high customer satisfaction

R3

### Regulatory risk

#### Responsibility

Regulatory compliance team

#### Capitals at risk:



#### Strategy at risk

S2, S4

#### Risk description

Our growing footprint in global geographies and trade routes subjects us to diverse regulations. Any unfavourable regulatory change can disrupt trade flows.

#### Impact on value

Operational slowdown and decline in credit rating

#### Mitigating actions

- We obtain all regulatory approvals and ensure compliance including that for ESG matters across all

construction, operation and M&A activities

- Our operations span products, customers and markets critical to ensure better living, and thus regulation in such core industry could organise sector, expanding market size and opportunity
- We have aligned strategies with national priorities
- Our in-house team proactively tracks regulatory changes, enabling timely corrective actions

R5

### Technology risk

#### Responsibility

IT Head (CDO) IT & Data Security Committee

#### Capitals at risk:



#### Strategy at risk

S1, S4, S5, S6

#### Risk description

Digitalisation and online operations pose risks like system interruptions, cyber security and privacy breaches and data recovery. We also face the risk of driving efficiency with modern technologies like artificial intelligence and robotic automation.

#### Impact on value

Financial losses, loss of customer confidence, reputational loss and operational accident

#### Mitigating actions

- We have made significant investments in cybersecurity and technology modernisation
- Strengthened cybersecurity by setting up Information Technology & Data Security Committee and implementing Information Security Management System (ISO 27001)
- Implemented cybersecurity programs, SOPs, cybersecurity awareness programs and business continuity plans

R6

**Climate risk (physical and transition)**

**Responsibility**  
ESG team, CEO APSEZ

**Capitals at risk:**  
₹ ⚙️ ❤️ 🌱

**Strategy at risk**  
S1, S5

**Risk description**

Ports face physical risks from climate-related weather events like sea-level rise, extreme temperature, storms and storm surge.

Transition risks arise from the uncertainty created by the global shift towards low-carbon economy.

**Impact on value**

Being in a capital-intensive infrastructure sector, the cost associated with damage and the investment needed to make the transition could be significant.

**Mitigating actions**

- Conducted comprehensive climate risk assessment for 12 ports and implementing the necessary adaptation measures
- Commitment to Net-Zero by 2040; identify risks & opportunities of low-carbon future
- Installation of 1,000 MW of renewable capacity; infrastructure for shore power and LNG storage
- Focused actions to lower emissions – use of LED lighting, renewable energy, efficient equipment and electric vehicles

R8

**Controls risk**

**Responsibility**  
CEO's office

**Capitals at risk:**  
₹

**Strategy at risk**  
S1

**Risk description**

Weak internal financial and operational controls could cause errors, negligence or frauds going unnoticed and result in lack of timely mitigative actions

**Impact on value**

Impact on operations, financial losses, misstatement of accounting records, misappropriation of funds

**Mitigating actions**

- Company code of conduct defines the acceptable behaviour

and practices that align with company's values and culture

- Strong internal financial control mechanism ensures accuracy and completeness of the accounting records that give a true and fair view and are free from material misstatement
- Systems and standards in place to guide day-to-day operations
- Management Audit & Assurance Services (MA&AS) reviews ESG control processes

R7

**Timely project commissioning risk**

**Responsibility**  
Operations head of each SBU

**Capitals at risk:**  
₹ ⚙️

**Strategy at risk**  
S2, S3, S4, S5, S6

**Risk description**

Delays in commissioning greenfield/brownfield projects may escalate costs and jeopardise their long-term viability, thereby damaging our reputation and market standing. It may also draw regulatory fines.

**Impact on value**

Adverse impact on customer service, payback tenure and return ratios.

**Mitigating actions**

- We have two decades of project management and execution underpinned by coordination across resource assessment, land acquisition, construction readiness, technical studies, and supply chain management

- Demonstrated track record of outperformance – commissioning projects in short tenures and at costs lower than the national benchmark without compromising cost, time, quality and ESG standards
- Ensured timely commissioning of Dhamra LNG Terminal, extension of CB3 berth in Hazira Port and other asset additions across various ports in FY 2023-24
- Enhanced logistics capability by commissioning new rail lines, creating 0.8 msf warehousing capacity and adding 3 MMLPs/ICDs

R9

**Financial risk**

**Responsibility**  
Head, Finance

**Capitals at risk:**  
₹ ⚙️

**Strategy at risk**  
S2, S3, S4, S7

**Risk description**

A decline in credit quality, liquidity position or operational issues may affect our financial position.

**Impact on value**

Credit quality, cost of borrowing, financing/refinancing projects

**Mitigating actions**

- We employ financial prudence in investment decision-making, ensuring debt covenants are comfortably within the threshold, supported by a strong audit and control system

- Our Balance Sheet is robust with favourable credit ratings from top rating agencies
- Our business generates healthy net operating cash flow, which amounted to ₹ 15,018 crore in FY 2023-24

R10

**Geographic focus risk**

**Responsibility**

Site CEOs, COOs, CEO-APSEZ

**Capitals at risk:**



**Strategy at risk**

S4

**Risk description**

A focus on select geographies could expose us to risks of regulation changes, economic slowdown, supply chain constraints, changing/extreme weather patterns, etc. that could impact port operations.

**Impact on value**

Operational slowdown, increased cost, reduced competitiveness and lower stakeholder confidence

**Mitigating actions**

- We have diversified our risks through presence across global trade routes and improvement of business mix
- We have invested in data-based research for establishing a presence in stable geographies along with having site-specific disaster management plans
- Adaptation plan in place based on Climate Vulnerability Assessment
- Track record of maintaining asset productivity despite occasional erratic weather patterns

R12

**Human rights risk**

**Responsibility**

ESG team

**Capitals at risk:**



**Strategy at risk**

S1

**Risk description**

We are necessitated to follow human rights policy across our value chain. Any deviation can lead to imposition of fines, legal actions and reputational loss. We have a relatively higher exposure to the human rights risk from our value chain, workforce and community.

**Impact on value**

Operational slowdown, impact on credit/ESG rating and ability to raise capital

**Mitigating actions**

- Strong commitment to human rights policies with no instances of deviation or any discrimination
- Human rights actions and assessments covering all stakeholders
- Grievance mechanism to address concerns

R11

**Land availability risk**

**Responsibility**

Strategy team, land team and projects

**Capitals at risk:**



**Strategy at risk**

S2, S3, S4

**Risk description**

Our business is land-intensive and failure to acquire a suitable parcel (by size, topography, location and cost) could hinder growth prospects.

**Impact on value**

Slowdown in growth and reduced competitiveness

**Mitigating actions**

- We have a centralised land management team dedicated to seamlessly acquiring the right landbank from various agencies and individuals
- We have digitised land records and developed dashboards to monitor property status in real time, enabling quick decision-making for development projects

R13

**Debt repayment risk**

**Responsibility**

Head, Finance

**Capitals at risk:**



**Strategy at risk**

S2, S3, S7

**Risk description**

We have long-term debt for infrastructure projects. Any failure in repayment or servicing could affect our ability to finance/refinance projects.

**Impact on value**

Inability to meet debt obligations can affect our creditworthiness and prospects of mobilising debt at lower costs.

**Mitigating actions**

- We have a cash and cash equivalent of ₹ 9,817 crore, sufficient to cover debt obligations for the next 12 months
- APSEZ is accorded IG rating, the highest within India's ports sector
- Reduced net debt by 9% to ₹ 36,462 crore as on March 31, 2024, improving net debt to EBITDA from 3.1x in FY 2022-23 to 2.3x in FY 2023-24

R14

Returns risk

Responsibility

CEO's office

Capitals at risk:



Strategy at risk

S2, S3, S4, S7

Risk description

Risk of cost overrun, project revenue falling short of the expectation, input cost increase, higher cost of debt

Impact on value

Inability to meet debt obligations can affect our creditworthiness and prospects of mobilising debt at lower costs. Impacts shareholder's return

Mitigating actions

- Prudent business evaluation and planning
- Adherence to project implementation timelines
- Cost control

R15

Liquidity risk

Responsibility

Head, Finance

Capitals at risk:



Strategy at risk

S2, S3, S7

Risk description

Our balance sheet may get stretched due to increasing investment requirements.

Impact on value

Reduced liquidity, and credit worthiness, impacting our ability to mobilise low-cost resources for onward investment.

Mitigating actions

- Strong liquidity management to meet business goals and optimise yield from cash
- With a current ratio of 1.05 and cash & cash equivalents of ₹ 9,817 crore, we have adequate liquidity to fund growth without compromising balance sheet integrity

S1: Take ESG leadership  
S2: Expand footprint nationally  
S3: Increase our globe presence  
S4: Improve business mix

S5: Scale operational efficiency through focus on safety, talent, technology and innovation  
S6: Improve customer satisfaction and experiences  
S7: Growth through strategic partnerships and acquisitions

Risk appetite

The Company's risk appetite determination process takes into consideration its exposure to various risks and the possible outcomes of those risks. It also considers the long-term strategic objectives of the Company and the prevalent norms within the industry. The Company outlines the level of acceptable risks defined for the achievement of business goals. The process supports planning and informed decision-making for the port and logistic services we provide. The Company's risk appetite is decided by the risk management team and is approved by the Risk Management Committee. The risk management team conducts a quarterly assessment of the actual risk exposure and compares it with the acceptable levels for various business goals. The gaps identified, if any, are highlighted to the management and reported to the Risk Management Committee.

Sensitivity analysis

During the year, we conducted a sensitivity analysis on key driver metrics associated with various financial and operational parameters. This involved changing all parameters except the driver metric under scrutiny.

Given the escalating impact of climate change, there is an increased likelihood of intensified and more frequent extreme weather events in the future which may disrupt our port operations. We have therefore conducted a comprehensive climate vulnerability and risk exposure assessment across 12 APSEZ ports considering 1.5°C and greater than 2°C scenarios of the UN's Intergovernmental Panel on Climate Change (IPCC) sixth assessment report. A detailed adaptation plan has been devised for four most vulnerable ports.

More information on this can be read in our latest TCFD reports available on the APSEZ website.

Sensitivity to financial risks

Driver	Change	Output parameter	Amount (in ₹ crore)
Interest rate	+/- 50bp	Profit after tax	-/+ 13
Foreign currency risk			
₹/USD	+/- 1%	Profit before tax	-/+ 84
₹/EUR	+/- 1%	Profit before tax	-/+ 5
₹/JPY	+/- 1%	Profit before tax	-/+ 3

Sensitivity to non-financial risks

Driver	Change	Output parameter	Amount (in ₹ crore)
<b>Disruption from extreme weather events like cyclone, storm surge and flood</b>			
- All ports	1 day	Profit before tax	- 66
- Mundra Port (our largest port)	1 day	Profit before tax	- 19

Emerging risks

Our business is faced with various emerging risks arising from the changing political, economic, social, environmental, legal and technological circumstances. These risks are presently within our risk appetite threshold but may become material in the medium (3-10 years) to long term (> 10 years) if not mitigated appropriately. They impact our cost and profitability in the medium- to long-term, hence, we are proactively taking mitigation measures to minimise any residual risks and ensure business resilience.

**Technological**

Risk and its description	Impact on value creation	Mitigation measures
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<p><b>Skill gaps for new technology may impact productivity</b></p> <p>Major ports across the world are moving towards automation which is further picking pace. We require to build capabilities to stay ahead of competition and take advantage from accelerated digitalisation and technology adoption.</p> <p>However, the non-availability of skilled manpower to manage a large scale technology transition may pose a risk to the business. We may have to incur significant investments in skilling and up-skilling our existing workforce to match the requirements.</p>	<ul style="list-style-type: none"> <li>▪ Difficulty in supporting large-scale integrated and automated port operations and handling crises due to a shortage of capabilities, trained manpower and data access from our siloed operations. As a result, gains in productivity and profit realisations from automation could fall short of our expectations</li> <li>▪ Risk of losing low-cost labour advantage in India which will impact margin</li> <li>▪ A high capital expenditure and a possible decline in productivity could impact growth and profitability in the near to medium term</li> </ul>	<p>We are gradually developing systems, processes and knowledge base along with capabilities to run automated operations with smaller automation projects already implemented or in the pipeline. This will help us to build the internal capabilities of the team progressively.</p>
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<p><b>Risk of locking investments in unproven technologies for low-carbon switch</b></p> <p>Lack of proven technologies for low-carbon switch of dredgers, tugboats and other heavy-duty equipment risks slippage on climate targets or locking significant investments in unviable technologies to meet our emissions reduction targets.</p>	<ul style="list-style-type: none"> <li>▪ Impacts our ability to provide low-carbon integrated logistic solution and reduce GHG emissions in the supply chain</li> <li>▪ Limits our ability to make fair contribution to global action against climate change</li> <li>▪ Changing customer preference with transition of world economy to low-carbon can impact our capacity utilisation and revenue predictability</li> </ul>	<p>We are exploring different pilot projects, with one already started for tugs, to assess viability of various decarbonisation options. To reduce costs, we are evaluating options for retrofitting vs. replacement and further looking to customise solutions according to our requirements.</p>
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**Economic/Geopolitic**

Risk and its description	Impact on value creation	Mitigation measures
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<p><b>Changing geopolitics/economics leading to shift in trade routes, demand/customer base</b></p> <p>Amidst global geopolitics, sea terror, wars, and natural calamities, trade routes and cargo flow are continuously getting impacted. The Red Sea, Black Sea, and Panama Canal disruptions have ripple effects on shipping. Trade controls, non-tariff barriers, the COVID-19 pandemic in addition to the momentum toward near/on-shoring of manufacturing and the transition to a low-carbon economy are also causing shift in the cargo. These protectionist policies and geopolitical confrontations can potentially disrupt trade volumes of the country, significantly affecting our ports business. In future, energy commodities, especially crude oil, POL, and thermal coal, may also experience volatility.</p>	<ul style="list-style-type: none"> <li>▪ Erratic demand patterns can affect our port utilisation and revenue predictability</li> <li>▪ Major changes in trade routes can impact our transshipment volumes at few of the ports</li> <li>▪ Policies by the governments globally concerning climate change, such as the proposed carbon border tax by the European Union, can impact the volume of emission-intensive cargo traded by emerging economies like India</li> </ul>	<p>We are diversifying our cargo mix, increasing containerisation and reducing dependence on bulk cargo. We have also pursued geographical diversification of our customer base and expanding our presence to international ports to mitigate geopolitical risk. We have moved closer to the key trade routes through development in Vizhinjam and Colombo mitigating the risk of change in trade flows.</p> <p>Further, in response to growing customer preference for sustainability, we have committed to reducing emissions and upholding the highest standards on health, safety and corporate governance.</p>
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## Major Controversies

Case	Actions proposed/taken
<p><b>Criticism over alleged complicity in Myanmar military's human rights abuses</b></p>	<p>On May 4, 2023, APSEZ announced conclusion of the Myanmar Port sale. The Company reported to the stock exchange that the buyer of the asset does not belong to the promoter group and the transaction was not a related party transaction. Later, in a media release on May 30, 2023, APSEZ informed about the receipt of the total sale consideration of USD 30 Mn which eventually completed the transaction process. While the signing of Share Purchase Agreement (SPA) was announced in May 2022, the delay in meeting certain Condition Precedents (CPs), implied that the deal closure took longer than earlier expectations.</p> <p>The Company had initiated Myanmar investment in 2019 and the sequence of events in the investment approval process, clearly reflects that APSEZ's dealings were with the country's elected government –</p> <ul style="list-style-type: none"> <li>APSEZ's subsidiary Adani Yangon International Terminal Company Limited (AYITCL) had approached the Myanmar Investment Commission (MIC) in May 2019, for permission to construct a greenfield container terminal at the Myanmar port</li> <li>During this period, MIC was led by U Thaung Tun, its Chairman and Minister of Investment and Foreign Economic Relations under the guidance of Her Excellency State Counsellor Aung San Suu Kyi's National League for Democracy government administered by the civilian government</li> <li>The MIC facilitated the land deal, which required APSEZ to pay upfront USD 90 million for the land lease premium and USD 20,000 as an annual lease charge</li> </ul> <p>to the Myanmar Economic Corporation Limited (MEC). As part of its negotiations with the Burmese government at the time it was awarding the port project, the Company required MEC to sign a Deed of Undertaking, according to which MEC agreed to comply with all laws and regulations relating to economic or financial sanctions or trade embargoes</p> <p>After the military coup on February 1, 2021, APSEZ condemned the military taking over the country and focused on the following –</p> <ul style="list-style-type: none"> <li>Given the US sanctions on MEC, APSEZ has made it clear that it will not execute any financial transactions with MEC and/or any other sanctioned entities</li> <li>The Company also stated that the safety of its employees is a key focus area, and it is in touch with the Indian embassy in Myanmar to ensure that all its employees are safe</li> <li>Considering the economic benefits of the port for the Burmese people, APSEZ through its US-based counsel, Morrison Forester LLP, has approached the Office of Foreign Assets Control (OFAC) of US Department of Treasury operations, for a specific licence to ensure that APSEZ is not in violation of any sanction terms (August 2021)</li> <li>While the OFAC's decision on APSEZ's application was still awaited, the Risk Committee of APSEZ and the APSEZ board decided to divest the Myanmar Port asset</li> <li>In May 2022, APSEZ announced the signing of a Share Purchase Agreement (SPA) for the sale of its Myanmar Port</li> </ul>

Case	Actions proposed/taken
<p><b>Vizhinjam International Multipurpose Deepwater Seaport, India: Alleged shoreline erosions from the project construction</b></p>	<p>Regarding the project impacts on the coastline, there are various studies conducted by reputed institutions that have clearly concluded that the coastline erosion taking place at a location 12 kms from the project site is not related to port construction in any way, and is primarily due to sand mining, groynes construction by the civic authorities and extreme weather events.</p> <ul style="list-style-type: none"> <li>A study carried by the Central Marine Fisheries Research Institute (CMFRI), a leading tropical marine fisheries research institute, has concluded that the fish catch of the area has increased by 20% during the last decade, contrary to the claims by the fishermen</li> <li>A 2007 study by IIT Chennai describes coastline erosion at the same locations currently witnessing erosions, highlighting that the problem existed long before the start of port construction in 2015, and it cannot be attributed to the construction activities of this port</li> <li>The National Institute of Ocean Technology (NIOT) shoreline change study over 2000-2021, carried out using high-resolution satellite imagery, noted that the spots of erosion such as Valiyathura, Shangumugham and Poonthura remained unchanged (present erosion spots are the same as before the commencement of construction activity at Vizhinjam)</li> <li>L&amp;T Infra Engineering (LnTIEL) over February 2015-February 2021 has concluded that the port construction has no effect on the erosion and accretion at Valiyathura and Shangumugham (12 Kms from north of port construction)</li> <li>In 2022, Dr Clement Lopez (former researcher at the Department of Future Studies, University of Kerala) found no correlation between the port construction and the coastline erosion happening along the coastline lying north of the project. This study analysed various factors including the pattern of shoreline changes along the coastline from 1985 to 2022 and around 15 pre-requisites to dissect the real causative factors of beach erosion in terms of port, groynes, climate/cyclones, harbour, etc</li> </ul>
<p><b>Vizhinjam International Multipurpose Deepwater Seaport, India: Alleged livelihood impacts</b></p>	<p>The Government of Kerala (GoK) is responsible for compensating any Livelihood Affected Persons (LAPs), according to the agreement reached with the stakeholders. As per the last reported numbers, the state government has disbursed over ₹ 110 crore in compensation to the identified stakeholders, much higher than its initial estimates of ₹ 8.55 crore support needed at the Environmental Impact Assessment (EIA) stage and an estimated ₹ 100 crore agreed later with the stakeholders.</p> <p>Meanwhile, the National Green Tribunal (NGT) appointed independent committee, which conducts a biannual evaluation of the project, has also not found any link between the port construction and shoreline erosion. An independent study have also not found any link between port.</p> <p>Another independent study carried out to assess the adverse livelihood impacts of the port project on the local fishermen has concluded that the project has not resulted in any adverse economic impact on these stakeholders. The Central Marine Fisheries Research Institute (CMFRI), a leading tropical marine fisheries research institute, has highlighted that the fish catch of the area has increased by 20% during the last decade.</p> <p>The area has got relief camps that are operational since 2012 (many years before the start of Vizhinjam Port construction) to accommodate people who have been turned homeless due to high wave conditions and various cyclones in the region during the last few years, particularly Cyclone Ockhi in 2017. The state government has agreed for providing rent of ₹ 5,500 per month to 335 families staying in relief camps and also allocated 10 acres of land to develop a housing project to rehabilitate them.</p>

STRATEGY

# Charting a course to be the world's largest port company

As the Indian economy strides towards becoming the world's third-largest economy, the development of world-class ports and logistics infrastructure and industrialisation would be critical. This presents immense opportunities on the horizon. At APSEZ, we are leveraging our solid foundation and have defined a strategic roadmap to capitalise on this momentum to become the world's leading transport utility and the world's largest port company with benchmarked operational parameters and customer-centricity.

## Our blueprint for maximising value creation

### Our strategic objective

To sustainably grow globally by leveraging our assets, expertise, and partnerships with customer-centric services from infrastructure ecosystem driven by technology platform

### Strategic priorities

- S1 Take ESG leadership
- S2 Expand footprint nationally
- S3 Increasing our global presence
- S4 Improve business mix
- S5 Scale operational efficiency through focus on safety, talent, technology and innovation
- S6 Customer centricity
- S7 Growth through strategic partnerships and acquisitions



## Acting on our strategic priority

### Strategic priority #1

#### Take ESG leadership

##### Actions taken in FY 2023-24

- 338 EITVs deployed across Adani ports container terminals
- 250 Ha mangrove plantation done
- Mundra railway line electrification done
- Dahej OHE line extended till Silo, eliminating the need of diesel locomotives

##### Way forward

- Mitigate emissions in line with the science-based target
- Achieve carbon neutrality of the Ports by 2025 and Net Zero of all the businesses by 2040
- Complete ongoing installation of the 1,000MW renewable power capacity
- Plant 48.3 million trees as part of Adani Group's vision of 100 million tree plantation by 2030
- Build agility and versatility by inducting diverse and younger talent to fuel business growth
- Embed safety in all aspects of operations

##### KPIs tracked

- GHG emission intensity
- RE power share
- Rail co-efficient at Ports
- % of women employees
- % of women in leadership position
- LTIFR
- Fatality

##### Material issues

- M1 M2 M3 M4 M5 M6
- M7 M8 M9 M10 M11

##### Risks

- R3 R5 R6 R12

### Strategic priority #2

#### Expand footprint nationally

##### Actions taken in FY 2023-24

- Achieved financial closure for the mechanisation of a bulk terminal in Haldia Port, West Bengal
- Signed definitive agreement to acquire 95% stake of Gopalpur Port Limited
- Port expansion:
  - Completed integration of Karaikal Port and extension of CB3 berth at Hazira Port
  - Operationalised Petroleum, Oil and Lubricants (POL) terminal at Kanech
- Market share grown to 27% from 24% in FY 2022-23
- Handled the first commercial vessel at the Dhamra LNG terminal
- Adani Logistics expansion:
  - Operationalised ICD Loni, ICD Valvada, and Virochannagar MMLP taking MMLPs count to 12
  - Added warehouses at NRC Kalyan (Mumbai) and Indore taking the total footprint to 2.4 mn sqm.
  - Added 34 railway rakes to take the total count of trains to 127 and added grain silos at 0.1 MMT to take the capacity to 1.2 MMT

##### Way forward

- Increase ports presence in India and expand market share
- Commission India's largest semi-automated port at Vizhinjam by FY 2024-25
- Target to handle 1 Billion MT by 2030
- Intensify first/last-mile connectivity to the customer
- Adani Logistics:
  - Commence ICD Services (Customs clearance) at Malur, & Virochannagar and Warehouse at Palwal in FY 2024-25
  - Expand footprint through MMLPs at Hyderabad and Dadri and warehousing in multiple other locations
  - Enter into drydocking business catering owned flotilla

##### KPIs tracked

- % market share in ports
- Volume
- Capacity addition
- Warehousing capacity
- Number of railway rakes operated
- Capacity of grain silos
- % market share in container rail operations
- % market share in Inland container depot handling

##### Material issues

- M1 M2 M5 M6 M11

##### Risks

- R3 R7 R9 R11 R14

### Strategic priority #3

#### Increasing our global presence

##### Actions taken in FY 2023-24

- Completed integration with Haifa Port
- O&M Contract for Dar es Salaam Port in Tanzania
- Providing marine services in Sri Lanka, Oman, and Mexico

##### Way forward

- Commissioning container terminal in Colombo, Sri Lanka by FY 2024-25
- Expand globally in ports sector and explore to replicate our offerings in logistics and marine services
- Expand marine services offering to 5+ countries in FY 2024-25 and 15+ countries by 2030

##### KPIs tracked

- Volume from global ports
- Revenue from global operations
- Country footprint and number of flotilla deployed at global ports
- Capex in global operations

##### Material issues

- M1 M2 M5 M6 M11

##### Risks

- R2 R3 R7 R9 R11 R14

### Strategic priority #4

#### Improve business mix

##### Actions taken in FY 2023-24

- Received first vessel at Dhamra LNG terminal
- Increase in the share of LPG & LNG in the basket
- Increase in the share of Coastal cargo
- Kattupalli Port added 20,000 KL tanks
- Non-Mundra Cargo share in domestic cargo volumes has grown from 54% in FY 2022-23 to 56% in FY 2023-24
- Non-Port revenue has grown by 15% in FY 2023-24
- The Ratio of cargo at East: West Coast of India in APSEZ portfolio has improved from 39:61 to 43:57 due to higher growth at East Coast ports

##### Way forward

- Focus on ROCE accretive business and growth commodities such as LNG, LPG etc.
- Continue to work toward East Coast-West Coast parity in India
- Grow share of non-Mundra volumes and geographical diversification of ports, logistics and marine services within and outside the country
- Expand the range of services provided to the customer

##### KPIs tracked

- East Coast-West Coast parity
- % of non-Mundra volume
- % revenue from long-term customers
- % of revenue from global services
- % of revenue from non-port services
- % of container volume in total APSEZ volume
- Growth Capex
- ROCE

##### Material issues

- M1 M2 M11

##### Risks

- R9 R14

Strategic priority #5

**Scale operational efficiency through focus on safety, talent, technology, and innovation**

**Actions taken in FY 2023-24**

- Adani Logistics established a Command and Control Center for increasing asset utilisation
- Optimised supply chain network by using a hub and spoke model to increase asset utilisation
- Implemented Navis software at the Gangavaram container terminal for optimising operations and improving efficiency
- Gate Operating system has gone live at Mundra
- Innovated a new automated bag picking machine
- Implemented rail optimiser for efficient container train haulage
- Conducting various leadership development programmes to bolster internal talent pipeline

**Way forward**

- Harness diverse digital solutions available at APSEZ, including cutting-edge terminal operating systems and gate automation systems
- Reduce manpower to MT ratio through automation and mechanisation
- Fostering a culture of data-driven decision-making
- Optimising supply chain network through digital solution
- Implementing an inland integrated Command and Control Center, Integrated Transport Management System, and Yard Management System for optimal utilisation of assets, to further improve operational efficiency

**KPIs tracked**

- Productivity
- Vessel TAT
- Truck TAT
- Train TAT
- % positions filled through internal candidates
- % attrition
- Man/MT ratio
- Training Man-hours imparted per person
- EBITDA Margin
- ROCE

**Material issues**

M9

**Risks**

R5 R15

Strategic priority #6

**Customer-centricity**

**Actions taken in FY 2023-24**

- Launched a customer-specific portal for key shipping lines to provide live updates on cargo movement and billing data
- Launched Integrated Transport Utility Platform (ITUP, a new age PCS) for seamless interaction with the stakeholders
- Received blending permission from customs for making LPG for Ship-to-ship transfer at Dhamra Port making the operation efficient and cheaper for customers
- Received approval for import of new automobiles at Mundra Port
- Launched a grievance management portal for quicker complaint resolution
- Provided integrated solution to key customer by deploying 36 GPWIS rakes from Dhamra Port

**Way forward**

- Provide the integrated one-stop solution and facilitate cargo visibility at all points
- Getting the immigration approval at Dhamra
- ITUP as an enabler for end-to-end logistic services

**KPIs tracked**

- TAT of customer complaint resolution
- NPS
- Customer satisfaction score (CSAT)
- Customer retention ratio

**Material issues**

M10 M11

**Risks**

R4

Strategic priority #7

**Growth through acquisition and partnerships**

**Actions taken in FY 2023-24**

- Concluded acquisition of Karaikal Port
- Established a joint venture (JV) with MSC for Ennore Container Terminal by divesting a 49% stake
- Adani Logistics has taken 50% stake in VSCPL (Veracity Supply Chain Private Ltd), which will provide last-mile connectivity to customers from in-land container depot, powered by digital transport management system
- Signed a definitive agreement to acquire 95% stake in Gopalpur Port

**Way forward**

- Expand through strategic partnerships and acquisitions within and outside India
- Integration and turnaround of acquired assets

**KPIs tracked**

- % sticky customers
- % captive customers
- Volume growth % at acquired assets

**Material issues**

M11 M12

**Risks**

R3 R9 R14 R15



**PRUDENT FINANCIAL MANAGEMENT**

# APSEZ's prudent financial management rests on the principles of appropriate assessment of risks to its financials and implementing mitigation framework

## 1. Geographical diversification (East Coast – West Coast parity) mitigates Revenue Concentration Risk

APSEZL has significantly expanded its presence on the east coast by enhancing its port capacity from 7% of the total cargo volume handled in FY 15 to 43% by FY 24. This strategic growth initiative resulted in volume parity of APSEZ between west coast and east coast of India, which in turn, results into diversification of revenue mix, mitigating geographic concentration of revenues.

Additionally, though Mundra port continuous to grow its cargo volumes and revenues, its share of cargo in the overall APSEZ's cargo volume has decreased to 44% in FY 24 as compared to 89% in FY 14.

## 2. Strategic relationships and Logistics Business to ensure stickiness in cargo mitigates Revenue Volatility

APSEZL has been building relationships with strategic players domestically as well as globally.

The JVs with shipping lines (with MSC in AICTPL and with CMA CGM in ACMA) ensures these terminals are the preferred ports

of call for respective shipping lines, ensuring access to captive volumes of such shipping lines. JV with TotalEnergies in Dhamra LNG and long term contracts with IOCL as well as GAIL ensures that almost entire capacity of Dhamra LNG is fully contracted out.

Further, by leveraging its integrated logistics network and strategic investments in port infrastructure, APSEZ aims to provide complete supply chain solution to its customers 'from port gate to customer gate' and thereby, winning long term customer stickiness.

In the overall domestic cargo volumes (~408 MMT) of APSEZ, ~56% of the cargo volumes comes from such sticky customers, thereby reducing the Year-on-Year volatility in cargo volumes.

## 3. Excellent credit rating ensures access to Long Term Capital at competitive rates improves Value to the shareholders.

The excellent domestic ratings play a crucial role in mobilizing lower cost debt for a longer tenor from domestic debt capital markets, opens up a wider pool of capital and in turn reduces the dependence on the Banking system for raising funds. APSEZ has leveraged its

excellent credit ratings to tap domestic bond markets to raise long tenor fund at fixed interest rates, resulting into better Returns on Capital Employed (RoCE). As on March 24, 85% of domestic borrowing of APSEZ is from Domestic Bond markets and only 15% from domestic banking system.

Similarly, internationally investment grade ratings (at par with India's Sovereign Rating) enable APSEZ to raise funds from global debt markets from a very wide pool of investors at competitive rates. As on March 24, 64% of total borrowing of APSEZ is from overseas Bond markets.

Such access to global pool of capital enables APSEZ to continue its growth plans and swiftly consummate any value accretive acquisition opportunity.

## 4. Diversified sources (Domestic and International) of raising debt capital ensures availability of funds even during the time of financial market disruptions

APSEZ has demonstrated its ability to raise capital through the mix of debt and equity, even during the times of extreme

market volatility and uncertainty such as Covid pandemic. (i.e. APSEZ raised ₹ 800 Cr from Warburg Pincus in April 2021 with a nominal equity dilution of 0.49%).

## 5. Consistent Industry beating EBITDA margins ensure sufficient internal accruals to consummate the growth opportunities

APSEZ's domestic port business has more than 70% EBITDA margin, the highest among the global players. This enables it to consistently generate free cash flow which can be further utilized to consummate the value accretive growth opportunities.

## 6. Robust Capital Management Program ensures Growth with Credit Discipline

The Capital Management Program has indeed been a cornerstone of APSEZ's growth, reflecting the company's commitment to credit discipline. This program has been instrumental in maintaining an investment-grade rating from international rating agencies since FY16 and achieving a net debt to EBITDA ratio of 2.3x as of March 2024.

APSEZ's Capital Management Program ensures that company has the necessary war chest ready to seize any growth opportunities at the same time, managing the financing / liquidity risks effectively.

The above is important for APSEZ as it continues to expand its footprint globally, ensuring sustainable growth and value creation for its stakeholders.

## 7. Prudent Liquidity management ensures availability of funds to meet the debt obligations in a timely manner even during the times of market volatility and disruptions.

APSEZ has demonstrated a robust financial strategy, focusing on maintaining sufficient liquidity to meet any exigencies or growth needs. This helps the Company to meet its debt obligations, irrespective of external market conditions, and maintain its impeccable credit track record. As of March 2024, APSEZ has ₹ 9,817 Cr of Cash and Cash Equivalent available, which is 1.13x of its FY25 scheduled debt repayments.

## 8. Shareholders Return Policy aims to provide stable return to its Shareholders

APSEZ is committed to reward shareholders through its 'Dividend Distribution and Shareholder Return Policy'. The Company aims to provide a stable dividend or capital return to its shareholders. This commitment ensures that shareholders receive a consistent and significant portion of the Company's earnings.

With the fine balance of consistent dividend distribution and allocation of capital for growth, APSEZ aims to attract and reward its shareholders, along with ensuring growth and profitability.

## 9. Foreign Exchange Risk Management

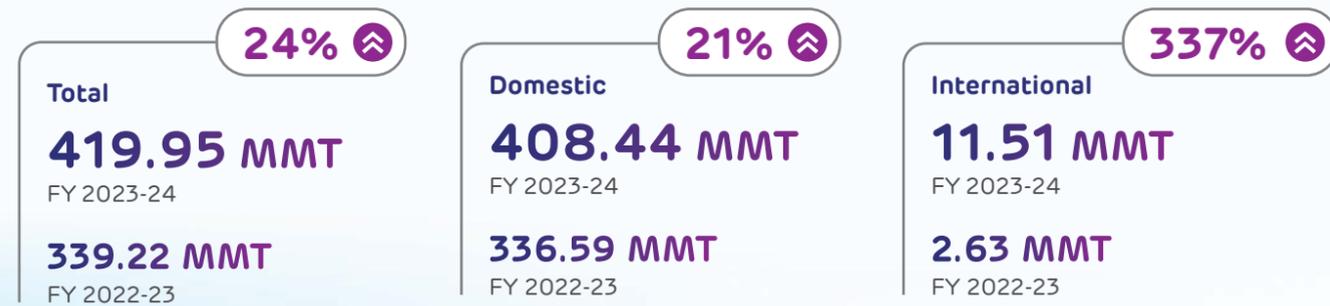
APSEZ generates a significant portion of its revenues from port and marine operations, having US dollar referenced revenues. Such revenue stream provides a natural hedge against borrowing in US dollars, creating an opportunity for APSEZ to raise dollar denominated debt capital without incurring additional hedging costs, in turn, reducing the cost of debt capital and improving the Return on Capital Employed.

**OPERATIONAL PERFORMANCE: PORTS**

# Strengthening our position as India's premier ports company

Delivering top-class performance with record growth

**Cargo volume**



**Cargo volume by segment**



Financial performance of domestic ports business



East and West Coast Volume\*



Mundra & Non-Mundra Volume\*



\* The data pertains to APSEZ India cargo volumes only (excl. Haifa)



Reducing concentration and strengthening business fundamentals with diversification

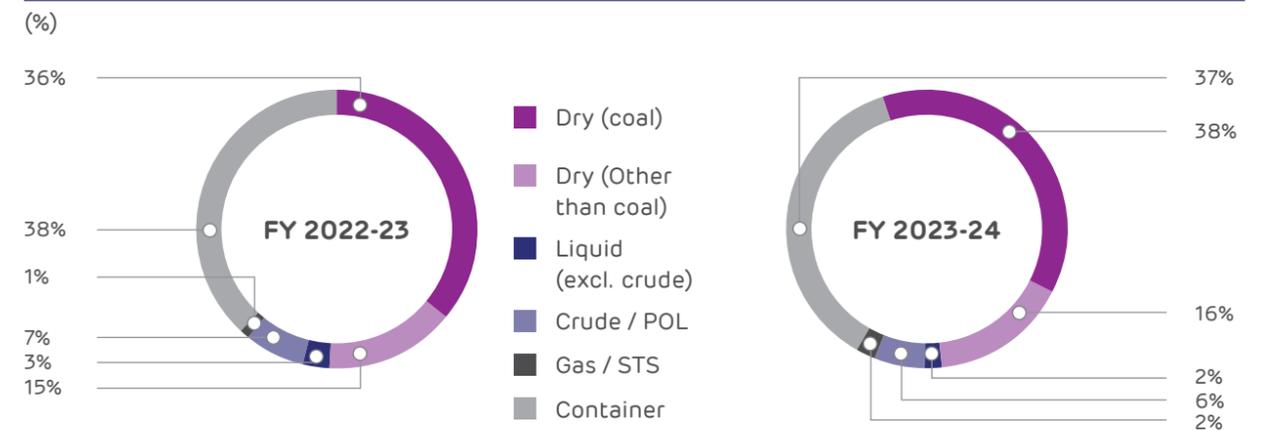
East-coast vs West-coast share\*



Mundra vs non-Mundra volume\*



Cargo diversification



\* The data pertains to APSEZ India cargo volumes only (excl. Haifa)

OPERATIONAL PERFORMANCE

# Mundra Port

## Overview

Mundra Port, APSEZ's flagship port, is amongst India's premier maritime hubs and stands as a natural gateway to the North and North West hinterland of India, boasting a deep draft all-weather port facility. Mundra Port boasts the largest coal import terminal and has diverse capabilities in handling an array of commodities, including dry bulk, break bulk, liquid cargo, containers, Ro-Ro, LPG, LNG, and project cargo. Mundra Port has solidified its position as India's largest container handling port, housing India's largest port-based Special Economic Zone (SEZ).

# 264 MMT

Installed capacity



## Operational highlights FY 2023-24

- Surpassed the national best in TEU exchange at CT-3, handling 16,569 TEUs with MV MSC Livorno
- Achieved the highest monthly volume for ACMTPL (CT4) in March 2024, reaching 1,24,164 TEUs
- Achieved record monthly volume of 26,013 TEUs for Exim Yard in December 2023
- Achieved 43 vessel movements in 24 hours, surpassing previous records
- SPRH handled the highest ever 630 trains and 1,38,396 TEUs in December 2023
- AICTPL (CT3) made history by handling over 3,00,000 TEUs in November 2023 and over 3 Mn TEUs in FY24
- Mundra Port Railway Services set a record with 1,852 trains handled in October 2023
- Successfully handled 17 MMT cargo in a single month, a first in Indian maritime history
- Achieved 6.5 million TEU containers in just 327 days.
- Surpassed 100 MMT in cargo handling in just 210 days
- The first train from Garhi Harsaru ICD arrived at the Mundra Airport Road Station of Mundra Port by the newly electrified route in September 2023. The seamless electrical traction on the Adipur-Mundra Port line will ensure faster turnaround time and reduce carbon footprint
- Handled first export of 9,008 MT HPG at Liquid Terminal in June 2023
- AMCT achieved the highest monthly throughput of 1,01,441 TEUs in July 2023, despite challenges caused by Biparjoy cyclone
- Successfully berthed MV MSC Hamburg, 399 meters long and carrying 15,908 TEU
- Liquid Terminal completed the largest shipment of vegetable oil, CSBO, totalling 61,841 MT

# 7.42 MTEUs

Mundra Port's container volumes, FY 2023-24

# 1.71 MTEUs

Mundra Port's transshipment volumes, FY 2023-24

# 3.15 MTEUs

handled at CT-3, FY 2023-24

# 179.58 MMT

of cargo handled in FY 2023-24



**Strategic highlights**

- Secured approval for handling imported vehicles, thereby expanding cargo categories and market reach
- Electrified Adipur- Mundra railway network, allowing direct electric locomotives access to APSEZ rail yard, reducing transit time.
- Increased investment in rail terminal cargo handling infrastructure, enhancing container train capacity by nearly 30% to 2.1 million TEUs annually, thus reducing import dwell days for ICD-bound containers.
- Infrastructure enhancement for digital collection of port entry charges via Fastag and online payment, ensuring hassle-free, cashless transactions for trucks entering Mundra Port.
- Extension of T2 berth by 200 meters to accommodate larger vessels, enhancing operational capabilities and accommodating growing demand.
- Addition of new container lines as customers across both EXIM and coastal sectors, bolstering the port's presence across various trade lanes.
- Implementation of rigorous in-house trials to permit berthing of vessels less than 230 meters in length in all tidal conditions, aimed at improving operational efficiency and enhancing overall turnaround time.

**Sustainability**

APSEZ's commitment to sustainability is reinforced through a series of strategic initiatives aimed at reducing carbon emissions and enhancing operational efficiency. One such notable endeavour includes a substantial capital investment in converting most diesel-powered fleets to electric battery-operated trucks, totalling 217 units, at the port's container terminals. This transition from diesel to electricity has significantly reduced operational costs and enhanced operational efficiency, thus driving the adoption of eco-friendly practices and fostering a greener environment.



**Awards and accolades**

- Secured the Best Port of the Year – Containerised Award at the Gujarat Star Awards on February 9, 2024 in Gandhidham (Kandla)
- Awarded the Port of the Year – Containerised Cargo title at the Exim Star Awards held on December 20, 2023 in Gandhidham (Kandla)
- Recognised as the Non-Major Port of the Year at the 10<sup>th</sup> International Samudra Manthan Awards, 2023 on November 8, 2023 in Mumbai
- Received the Non-Major Port of the Year Award at the 13<sup>th</sup> Edition of All India Maritime and Logistics Awards 2023 (MALA) held on August 24, 2023 in Mumbai
- Received two awards at the India Maritime Awards (7<sup>th</sup> Edition) by Daily Shipping Times on July 7, 2023
- Received the Best Port of the Year (Containerised and Non-Containerised in Private Sector) Award
- Awarded the Best Container Terminal of the Year (Volume) by Adani International Container Terminal Pvt Ltd
- Secured the "Platinum Award" for "Environment Sustainability" by the Sustainable Development Foundation on August 25, 2023 in Lucknow
- The Environment Cell of Mundra Port received the "Platinum Award" on April 3, 2023 at Delhi for "Environment Management" by Grow Care India during the 7<sup>th</sup> Annual Environment Award and Conference on Climate Change Impact on Industries for Service Sector



**Navigating Cyclone Biparjoy with Undeterred Resilience**

Mundra Port, equipped to handle various operational challenges, encountered a natural disaster in the form of Cyclone Biparjoy in June 2023. This event resulted in significant damage to port infrastructure, causing minor disruptions to operations. Despite these challenges, the operations team swiftly restored cargo operations, both seaside and landside, through vigilant management and collaboration with multiple stakeholders, including regulatory authorities (such as the Gujarat Maritime Board and the Director General of Shipping), customers, and government agencies (including Customs and the District Administration).

During the cyclone, damage was sustained by the T-1 berth and the South Basin Breakwater. Additionally, some fenders at CT-3 experienced excessive wear and tear due to wave exposure, while parts of the container backup yards suffered structural damage. Emergency repairs were promptly initiated, and normal operations resumed after a brief interruption. The port has implemented a cost-effective solution by utilising a RORO pontoon as a temporary tug berth, capable of accommodating up to 3 tugs at a time. Furthermore, the installation of shore power connections for the tugs facilitated significant fuel cost savings.



Case Study

**Expansion of T2 Terminal and Improvement at Railway Handling Facility**

Mundra Port embarked on significant capacity expansion initiatives during the year to bolster the container terminals and railway handling facilities. A major component of this expansion was the enhancement of the T2 terminal infrastructure, involving the addition of 275 meters of quay length, expansion of the existing container yard, and the installation of

4 quay cranes and 12 rubber tyre gantry cranes. These enhancements are aimed at increasing the terminal's container handling capacity by an impressive 0.8 million TEUs. Additionally, improvements are underway at the dedicated railway handling facility for containers, SPRH, with the addition of two operational lines and 2 Rail mounted gantry cranes, further enhancing operational efficiency and capacity.

# Tuna Tekra Terminal

## Overview

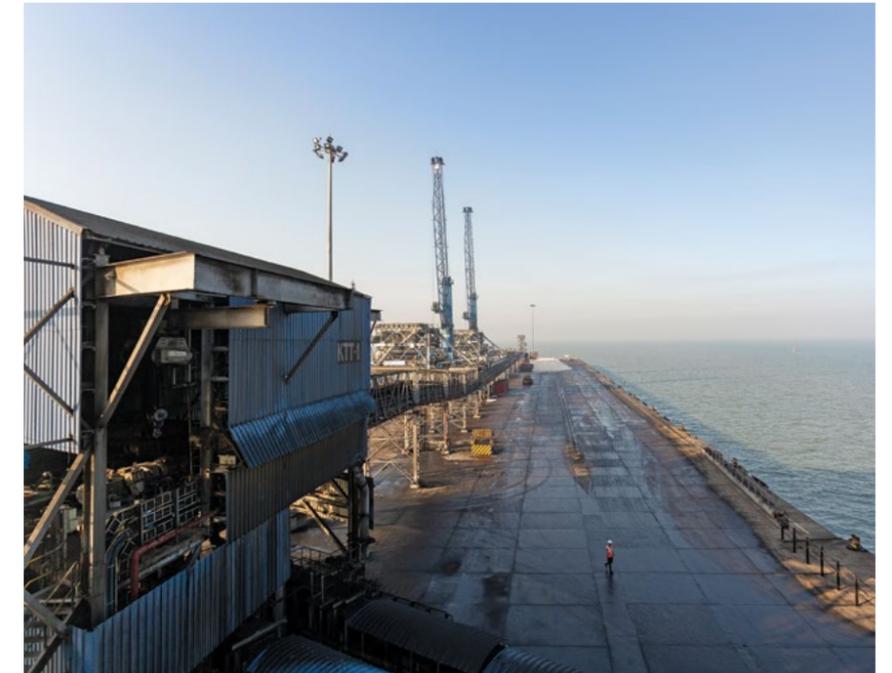
Tuna Terminal handles all types of dry bulk cargo including coal, fertilisers, minerals, industrial salt and agriculture products. The Terminal has fully mechanised, highly automated dry bulk cargo handling facility with a fully mechanised closed warehouse to handle agro and fertiliser imports. Situated in the vicinity of Kandla Port, Tuna has an all-weather berthing facility with a deep draft. It also enjoys proximity to the Central and North-west hinterland of India.

**14 MMT**  
Installed capacity



## Operational highlights FY 2023-24

- Handled the highest-ever daily cargo volume of 70,432 MT
- Handled a record cargo of 2.79 MMT during the first quarter of FY 2023-24, the highest cargo handled in a single quarter since its inception
- Executed the highest-ever per day discharge in iron ore with three grades of cargo, totalling 22,759 MT in a single day, accomplished by MV KENNADI



**9.73 MMT**

Highest-ever cargo volumes handled, FY 2023-24

**70,432 MT**

Highest-ever daily cargo volume handled

## Strategic highlights

- Rectified minor damages to the terminal's conveyor structure within a month following Cyclone Biparjoy, ensuring minimal disruptions to operations
- Implemented a road-based weighbridge, resulting in a 30-minute improvement in cargo despatch turnaround times, and carried out structural design changes to the hopper, increasing its capacity for cargo feeding by 3 cubic meters, thus enhancing productivity
- Added new customer in the fiscal year and expanded handling capabilities to include commodities such as iron ore lumps

- Optimised crane output by replacing hydraulic pumps, ensuring faster average turnaround time for ships at the terminal
- Implemented Single Heaping of Coal in the yard to reduce turnaround time and minimise equipment shifting and working hours, resulting in an annual cost savings of approximately ₹ 0.5 crore
- Optimised space utilisation by converting the scrap yard and idle space near the fire pump house area into a stack yard spanning 24,500 m<sup>2</sup> for a new commodity, iron ore, available in dual grades of lumps and ore

## Awards and accolades

- Received the esteemed Gold Award at the 14<sup>th</sup> Exceed Green Future Environment, HR & CSR Awards & Conference organised by "EK KAAM DESH KE NAAM", recognising its unwavering commitment to excellence in "Waste Management System" under the Environment Category

# Dahej Port

## Overview

Dahej Port is a deep-water, multi-cargo port which is located in the Gulf of Khambhat. It is strategically situated on international maritime routes and provides easy access to the dense industrial hubs of Gujarat, Maharashtra, and Madhya Pradesh. This makes it the preferred port for the cargo hubs functioning in the northern and western states and union territories of India.

## Operational highlights FY 2023-24

- Handled largest parcel size vessels:
  - **Urea:** Handled "MV CHRISTIANNA" carrying 68,763 MT of NBCL in May 2023
  - **Steel Coils:** Managed "MV ULTRA ALPHA" carrying 27,130 MT of China Steel in May 2023
- **Sulphur:** Handled "PACIFIC PROSPECT" transporting 27,130 MT of MNK & Co. in June 2023
- **DAP:** Handled "MV GOLDEN EAGLE" with 24,900 MT of OSTWAL cargo in August 2023
- Completed the OHE (overhead electrical) line extension project at Dahej, achieving significant operational milestones
- Introduction of new commodities handled at the port:
  - **Copper Concentrate:** Managed cargo of "MV BEETLE" from M/s Hindalco, carrying 20,484 MT in August 2023
  - **Clinker Handling:** Handled clinker in barge "SANGHI SUDARSHAN" from M/s ADANI CEMENT, totalling 1,823 MT in November 2023
  - **APS Fertiliser:** Processed cargo of APS (Fertiliser) from M/s NBCL, transported by "MV LUANG PRABANG" with 30,000 MT in January 2024

**16 MMT**

Installed capacity

**11.17 MMT**

Cargo volumes handled,  
FY 2023-24



## Strategic highlights

- Implemented measures such as covering the cargo with tarpaulins and utilising water tankers for sprinkling water, along with the Dust Suppression System (DSS) during operations to mitigate the issue of heavy dusting during clinker rake handling
- Conducted repair and maintenance work on the approach road to the jetty to enhance turnaround times for trailers accessing the port
- Undertook a complete renovation of the jetty approach road, with paver blocks installed along a 1 km stretch, and refurbished the internal yard road
- Increased the number of tarpaulin covering stations to 28 and upgraded the weighing mechanism to enhance operational efficiency and productivity
- Successfully managed the handling of copper concentrates, fertiliser APS, and clinker vessels for the first time, leading to additional revenue generation
- Utilised idle time slots of cranes and the material handling system (MHS) during vessel changeovers for conducting both opportunity-based and planned maintenance, effectively increasing the availability and reliability of the equipment
- Conducted indigenisation of spare parts to reduce reliance on imports, significantly cutting costs and lead times for spares, with annual savings of up to ₹ 25 lakhs

## Sustainability

Dahej Port has demonstrated a strong commitment to sustainability through various initiatives. By implementing the Engine on Load (EOL) facility in collaboration with Indian Railways, the port has transitioned from diesel-based to electric-based engines, thereby significantly reducing carbon emissions. Additionally, the port has undertaken a significant energy-saving measure by converting all crane illumination lights to LED technology. This step has resulted in a reduction in power consumption by up to 75%, further enhancing energy efficiency and minimising the port's carbon footprint.

**75%**

Savings in power consumption  
by converting crane illumination  
lights to LED



## Awards and accolades

Received the Safety Excellence Award, 2024, from the Ankleshwar Environmental Preservation Society (AEPS) and Disaster Prevention & Management Centre, Ankleshwar, on February 9, 2024.

# Hazira Port

## Overview

Hazira Port handles all types of cargo including bulk, break-bulk, bulk liquid chemicals, petroleum products & edible oil, containers, automotive, and crude. In addition to its proximity to the Delhi-Mumbai Industrial Corridor, one of the world's largest high-tech industrial zones, it has excellent multimodal connectivity to the northern, north-western and central parts of India. It also provides a convenient international trade gateway to Europe, Africa, America and the Middle East.

## Operational highlights FY 2023-24

- Achieved the highest-ever volume of 77,566 TEUs in May 2023, showcasing exceptional operational efficiency.
- Achieved the lowest TAT for liquid tanker in January 2024, reducing it to 04:51:55 Hrs from 07:17 Hrs in May 2023.
- Improved TAT from Gate-In to Gate-Out by over 2.3 hours (32%).
- Successfully implemented remote Port Entry Permit (PEP)/ Paperless PEP in Liquid & Dry Terminal with a commendable implementation rate of 94%.
- Decreased truck parking dwell time from 72 hours to 20 hours, further streamlining operations.
- Achieved significant reduction in TAT, saving nearly 1 lakh hours per month for liquid tankers.
- Implemented Axle-based Truck port entry pass charges through FASTag integration, resulting in an additional revenue increase of 11%.
- Initiated a 24\*7 Container Scanning facility, enhancing security measures and operational capabilities at the port.

- Achieved significant cost reduction in handling Steel rail cargo by utilising a 75 MT crane instead of a 150 MT crane, resulting in over ₹ 1 crore in savings, equivalent to a 45% reduction in previous costs.

**30 MMT**  
Installed capacity

**26.40 MMT**  
Cargo volumes handled,  
FY 2023-24



## Strategic highlights

- Introduced new cargo categories, such as Marble and Glasses, in the Exim yard cargo stream to enhance container throughput and bolster port operations.
- Achieved a 15% increase in productivity Year-over-Year to enhance vessel TAT by implementing various measures:
  - Upkeep of Material Handling System (MHS) equipment
- Ensured 98% resource availability to expedite the average turnaround time of ships.
- Provided multiple lines in the Liquid terminal to facilitate faster completion of vessel operations.

and regular Planned Maintenance, resulting in a 35% reduction in breakdowns.

## Awards and accolades

- Awarded the 5S Silver Award by Adani Workplace Management System (AWMS).
- During the Quality convention at Bardoli in September 2023, the port's participation of 13 teams resulted in winning an impressive 11 Gold and 2 Silver awards.
- The port's 5 participating teams secured an outstanding 4 Gold awards at the Safety convention held in Bardoli in January 2024.



Case Study

## Overcoming Barriers with Resilience and Agility

**Challenge:** Bunching of vessels during monsoon months for all commodities (coal, agri & fertiliser) at Hazira Port, leading to increased demurrage, cargo loss, and high Pre Berthing Delay (PBD).

**Mitigation:** Increased resources during monsoon to ensure higher productivity, resulting in a 15% increase. Simultaneous handling of three vessels with two shore cranes and one vessel crane operation. Berthing three coal vessels simultaneously for the first time to reduce PBD. Improved coordination with Marine for Dry cargo vessel berthing.

**Outcome:** Pre-berthing delay reduced by 36% on a Year-Over-Year (YOY) basis.

**Challenge:** Frequent malfunctioning of Phase-3 Radar, resulting in inaccurate readings for

making Out Turn Report (OTR) and causing delays in loading/unloading operations.

**Mitigation:** Identified root cause by the liquid operations & engineering team and completed radar swapping to ensure accurate readings through radar gauge.

**Challenge:** Maintenance issues at the Liquid Terminal due to ageing and improper maintenance of equipment, resulting in frequent failures in the loading arm,, retractable ladders, nitrogen plant, etc.

**Mitigation:** Consistently addressed with the LTES team to ensure the healthiness of all critical equipment and necessary maintenance measures.

# Dighi Port

## Overview

Dighi Port is poised to become a major gateway of Maharashtra, servicing its land locked industrial corridors and hinterland. The all-weather port is built to serve oil, chemicals, containers, and bulk cargo. Its excellent road connectivity & direct berthing facilities, closed warehouses, liquid tank farms and open stockyards commodity goods facilitate faster handling, storage and evacuation of cargo.

## 8 MMT

Installed capacity

### Operational highlights FY 2023-24

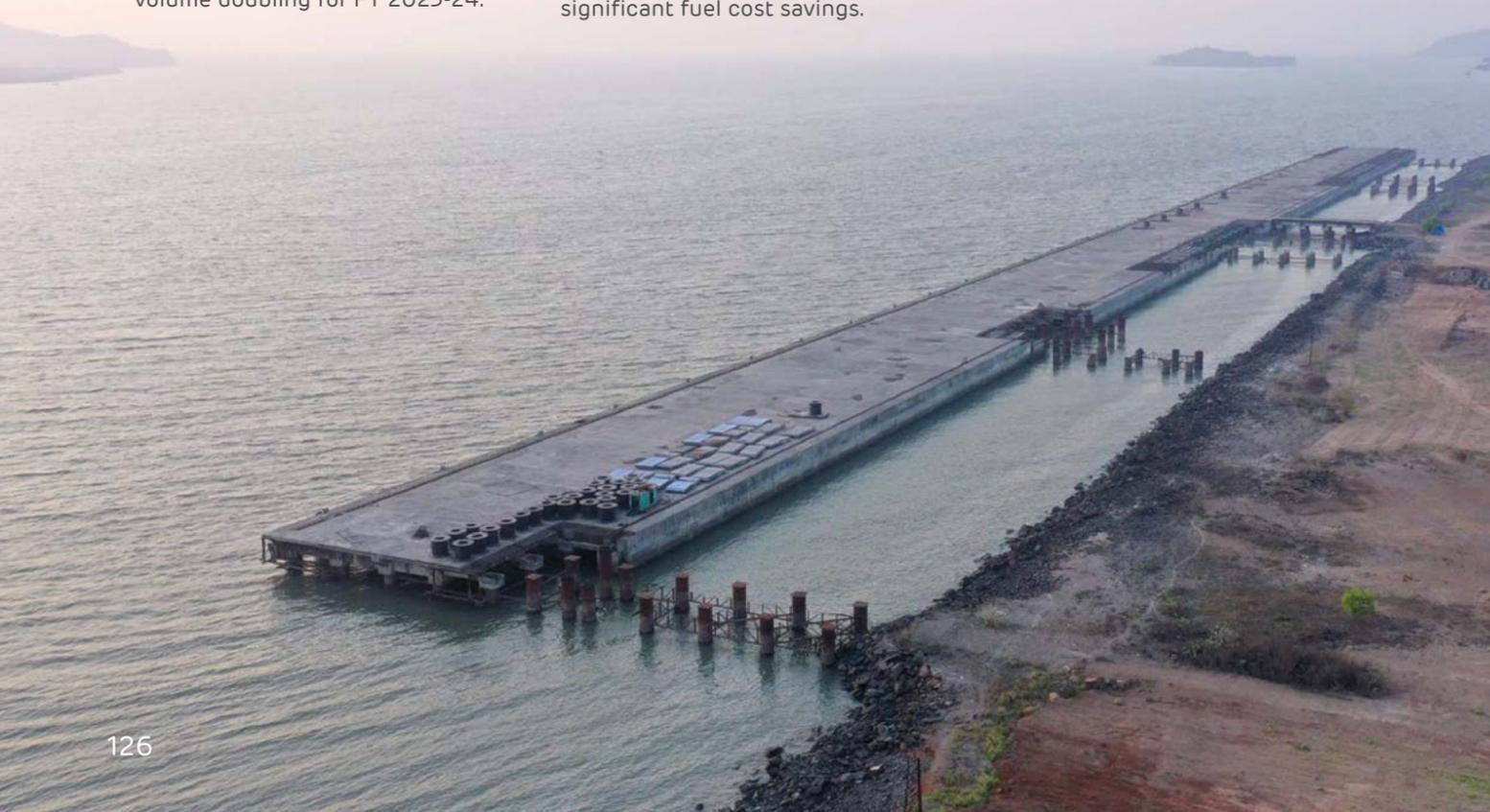
- Successfully attracted six new businesses in the year, including Project Cargo, Rock Phosphate Handling, Rock Boulders Handling, Base Oil Handling, RPO Commodity Handling, and Waterfront Leasing to third parties for Rig repair.
- Surpassed previous year's volume in just six months, with cargo volume doubling for FY 2023-24.

### Strategic highlights

- Installed navigational buoys in the channel, enabling vessels to navigate 24\*7, a departure from the previous daytime-only operations.
- Provided proper training to manpower and optimised resources to enhance discharge rates.
- Implemented single tug handling for smaller vessels, resulting in significant fuel cost savings.

## 0.55 MMT

Cargo volumes handled,  
FY 2023-24



# Goa Terminal

## Overview

APSEZ, in agreement with MPA is operating MPA Berth no. 7 on DBFOT (Design, Built, Finance, Operate and Transfer) basis. Utilising the state-of-the-art technology and incorporating with the best and most technically advanced technology. The terminal is handling coal/coke in most ecofriendly manner and is equipped with jetty with a quay length of 300 m, 2 nos of track mounted LIEBHERR cranes, and high speed conveyor system of 5,000 MT capacity with automated truck and wagon loading system with one stacker cum reclaimer.

### Business and Operations Highlights

- The terminal has handled its highest quantity of cargo (4.59 MMT) during FY24
- Dispatched highest ever rake in a year i.e. 1,047 in FY24



# Kattupalli Port and Ennore Container Terminal

## Overview

Kattupalli is a modern multi-cargo port located in North Chennai. Situated outside city limits, Kattupalli offers 24x7 congestion-free approach roads for seamless movement of cargo offering a wide basket of services such as a dedicated yard for Direct Port Delivery clearance, Direct Port Entry for factory stuffed/self-sealed export-laden containers, and flexible carting. It is well-connected to cargo clusters, national highways, and container freight stations.

Adani Ennore Container Terminal is a state-of-the-art box terminal 30 km north of Chennai Port. Located strategically, it offers 24x7 congestion-free approach roads for seamless cargo movement and on-dock rail siding services to Bengaluru presenting deep hinterland reach. It is also well connected to container freight stations in the primary hinterland of Chennai and four National Highways.

**37 MMT**

Installed capacity



## Operational highlights FY 2023-24

- Ennore Terminal achieved a record-breaking exchange of 7,238 TEUs on a single vessel, Maersk MV Kampala.
- Ennore Terminal reached its highest-ever container throughput of 65,658 TEUs in November 2023.
- MIDPL set a new milestone by handling over 52 vessels in a single month (April 2023).

**11.93 MMT**

Cargo volumes handled at Kattupalli Port, FY 2023-24

**12.95 MMT**

Cargo volumes handled at Ennore Terminal, FY 2023-24

## Strategic highlights

- Kattupalli Port experienced a surge in Peak Yard Inventory to over 75% due to the introduction of a new service in December 2023, leading to increased handling of external vehicles by average of 30%. To manage this peak yard inventory, additional ground slots were introduced, boosting yard capacity by 15%. Additionally, 3 RTGCs (Rubber Tyred Gantry Cranes) were added to enhance vessel and gate movements.
- Ennore Terminal encountered significant attrition among Quay Crane and RTG Crane operators. To address this issue, emphasis was placed on training candidates from local maritime universities in collaboration with CSR teams, aimed at replenishing the workforce and ensuring operational continuity.
- Capacity unlock achieved at Kattupalli Port through addition of 750 ground slots, introduction of 3 e-RTG Cranes, and expansion of CFS yard, resulting in an increased handling capacity of 2,50,000 TEUs at the port.
- Kattupalli Port successfully diverted the IEX service to its facilities, catering to trade lanes between South India and Europe, with considerable cargo lifts from Chennai. Additionally, the port enhanced its Liquid Terminal by incorporating a 20,000 KL storage capacity and introduced a new commodity, edible oil.
- Ennore Terminal implemented the addition of the NEMO/AEX service, catering to destinations in Europe, West Africa, Latin America, and Australia.
- Implemented dual cycling of ITVs, where a trailer transporting an export box to a specific quay crane is utilised for import delivery at the adjacent quay crane.

## Sustainability

The port has made substantial strides in reducing its environmental footprint. Over 75% of its electricity requirements are procured from green sources such as TPP and IEX trading, marking a significant shift towards renewable energy. This transition resulted in a significant reduction in electricity costs by approximately 5% per unit. Additionally, the port has undertaken the LED conversion of Sodium arc lamps used in Quay Cranes, a move aimed at enhancing energy efficiency and reducing power consumption.



## Awards and accolades

- MIDPL was honoured with the APEX India Greenleaf Award 2022 in the Sustainable category.
- Ennore Terminal received the 'Best Business Partner for FY 2022-23' award within Kamarajar Port for achieving the highest throughput.
- Personnel from the O&M team participated in the QCFI Chennai chapter for the first time and secured 3 gold trophies.

# Dhamra Port

## Overview

The Dhamra Port Company Limited has been awarded a concession by the Government of Odisha to build and operate a port north of the mouth of river Dhamra in Bhadrak district on BOOST (Build, Own, Operate, Share and Transfer) basis.

Dhamra is one of the deep draft ports of India which can accommodate super cape-size vessels. It is an all-weather, multi-user, multi-cargo port poised to become the largest and most efficient port on the east coast of India. Situated between Haldia and Paradeep, Dhamra Port is close to the mineral belt of Odisha, Jharkhand and West Bengal, offering deepened hinterland connectivity and operational efficiency.

## 50 MMT

Installed capacity



## Operational highlights FY 2023-24

- Achieved significant increase in the port's by-road movement, rising from 200 trucks per day at the beginning of the year to around 793 trucks per day.
- Achieved cargo volumes of 42.81 MMT, marking a 37% increase from 31.28 MMT in FY 2022-23.
- Handled 8,726 rakes (inward and outward), reflecting a 17% increase from 7,489 in FY 2022-23.
- Handled 555 dry cargo vessels, up by 33% from 416 in FY 2022-23.

## 42.81 MMT

Cargo volumes handled, FY 2023-24

## 8,726

Rakes handled, FY 2023-24



## Strategic highlights

- The Dhamra LNG Terminal (a JV of APSEZ and TOTAL Energies) commenced commercial operations.
- Opening the port to road traffic facilitated the handling of 11.05 MMT of iron-ore.
- Establishment of an exit gate at the north end of the port assisted in managing the gradual increase in road trucks entering the port.
- Implementation of a temporary manual siding for unloading iron-ore rakes, particularly cargo with sticky properties, alleviated pressure on wagon tippers, which were previously hindered by the nature of the cargo.
- Utilising berth BB-3 as a conventional berth from January 2024 for regular vessel handling contributed to an increase of 12,000 MT per day in berth productivity.
- Implemented measures such as GPWIS inductions and enhancements in thermal coal loadings for coastal movement to establish a sustainable and secure evacuation strategy.
- Engaged third-party GPWIS rake owners, aside from Adani Logistics team, for the evacuation of import cargo, facilitating quicker accumulation of export cargo, ensuring a two-way traffic for their rakes and sustained revenue for the third-party GPWIS rake owners.
- Leveraged longstanding customer relationships and renegotiated existing handling contracts to introduce manual handling of iron ore fines at a loading rate of 17,000 MT/day. This ensured that the port retained its customers while maximising cargo diversions from neighbouring ports.

- Undertaking simultaneous mooring/unmooring operations at two different berths to optimise the usage of mooring gang. Additional mooring crews were hired specifically for LNG terminal operations to enhance operational efficiency.
- Implemented cost optimisation initiatives such as renegotiating contracts with lower margins, transitioning fixed hiring contracts to PMT contracts, consolidating similar activities for increased operational efficiency, deploying surveyors under customer confirmation, and installing fuel management systems in equipment.

#### Awards and accolades

- Awarded the Kalinga Safety Award for exceptional safety performance in 2023.
- Received the Greentech Pollution Control, Waste Management & Recycling Award in 2024 for dedication to environmental stewardship.



Case Study

### Managing Railway-Related Challenges

**Challenge:** The import side faced inventory build-up at the yard due to a shortage of empty Indian Railways (IR) rakes, while the export side experienced a sudden influx of iron-ore rakes, often with sticky cargo, causing delays in the Tippler system.

**Mitigation:** To address the shortage of empty IR rakes, more APSEZ-owned General Purpose Wagon Investment Scheme (GPWIS) rakes were introduced, and continuous communication with Railways aimed to increase the supply of empty IR rakes. To handle the surge of loaded rakes in the export circuit, a manual rake unloading siding was developed using existing infrastructure.

### Managing Cargo Related Challenges

**Challenge:** A significant operational challenge was the sudden increase in iron-ore fines transported via road, overwhelming the port with approximately 750 trucks per day. Additionally, creating unloading and stacking points for the 10-12 distinct customers posed a challenge.

**Mitigation:** In response, the port installed two additional weighbridges (with two more under installation) to alleviate pressure on existing ones, established a new exit gate on the North side for smoother traffic flow, implemented robust traffic management systems, introduced prepaid gate entry fees to prevent traffic congestion outside the gate, and is developing a new parking facility with basic amenities to serve as a pre-gate check-in point for anticipated traffic.

## Gangavaram Port

#### Overview

Gangavaram Port is an all-weather deep-water port that seamlessly connects extensive hinterlands with state-of-the-art infrastructure facilities and multi-modal connectivity. With advanced mechanisation in cargo handling, storage, and evacuation, Gangavaram Port ensures efficiency across the entire value chain, benefiting its partners and stakeholders.

### 64 MMT

Installed capacity

#### Operational highlights FY 2023-24

- Handled 88 rakes in April 2023, the highest-ever in a month for TANGEDCO, facilitating the coastal movement of coal to the power sector.
- Handled the highest-ever seven Thermal Coal rakes in a day on 20<sup>th</sup> August 2023 for TANGEDCO, surpassing the previous record of six rakes a day.
- Handled two Cape vessels simultaneously at the mechanised berths for the first time in May 2023, unloading a cumulative total of over 66,800 MTs of Bauxite cargo.
- Handled the highest-ever seven Thermal Coal rakes in a day on 20<sup>th</sup> August 2023 for TANGEDCO, surpassing the previous record of six rakes a day.
- Handled 160 rakes in September 2023, the highest number of incoming coal rakes, dispatched to power industries in Andhra Pradesh & Tamil Nadu.
- Handled 68 rakes, the highest-ever monthly rakes for Hinduja Power Plant in October 2023, surpassing the previous record of 61 rakes.



- Berthed deepest draft vessel, MV TRUE COURAGE, with a draft of 18.12 metres, surpassing the previous highest record in December 2023.
- Discharged 60,126 MTs of bauxite in 24 hours from MV TRUE COURAGE, setting a new record in December 2023.
- Achieved the highest-ever monthly cargo of 4 MMT in January 2024, surpassing the previous record of June 2023.

### Strategic highlights

- To accommodate increased volumes, the port is enhancing its existing infrastructure by implementing advanced mechanisation in port operations.
- Inducted new cargo handling equipment as part of the port's infrastructure investment plan.
- Introduced 2 new Grabs, each with a capacity of 46 cubic meters, and 2 Cargo Hoppers,

each with a capacity of 60 metric tonnes, enhancing crane productivity and facilitating quicker cargo handling.

- Hired Mobile Harbour Cranes (MHC) to increase crane intensity and efficiency.
- Acquired two locomotives to enhance port productivity and efficiency.

## 37.24 MMT

Cargo volumes handled, FY 2023-24

### Sustainability

As part of its sustainability initiatives, Gangavaram Port actively participated in the "Eco Vizag" programme, organising a Green Rally, beach clean-up, and road clean-up near the port. The initiative aimed to collect and hand over plastic waste to GVMC, contributing to environmental conservation efforts. Further, in observance of World Environment Day on June 5, 2023, the port organised awareness programmes promoting environmental sustainability. To combat plastic pollution, the port distributed reusable Cloth & Jute Bags at local bazaars, encouraging the community to adopt eco-friendly practices.



### Awards and accolades

- Winner of the Special Jury Award in the Supervisors Large Scale Services Category at the 18<sup>th</sup> edition of the Continuous Improvement (Kaizen) Competition organised by CII on July 8, 2023.
- Received the Gold Prize from the Quality Circle Forum of India, Visakhapatnam chapter for their exceptional case study presentation at the CCQC 2023.
- Honoured with the Excellence Award at the 37<sup>th</sup> National Convention on Quality Concepts - 2023 in Nagpur

for successfully implementing quality concepts and processes to serve customers.

- Awarded the Environment Excellence Award at the 23<sup>rd</sup> Greentech Environment Summit hosted by the Greentech Foundation in recognition of its environmental initiatives.

## Krishnapatnam Port

### Overview

Krishnapatnam Port, situated on the East Coast of India, stands as a premier private port operator offering world-class deep-water facilities capable of accommodating Cape Size vessels year-round. Boasting international standards, the port serves the landlocked hinterland of South India with seamless multimodal connectivity. Its strategic location near National Highway 16 and the National Rail Network (Chennai-Kolkata Main Line) ensures efficient transportation links by road and rail.

## 75 MMT

Installed capacity



### Operational highlights FY 2023-24

- First-ever POL rake arrived for loading to BPCL in April 2023.
- Achieved the highest ever monthly cargo of 5.7 MMT in May 2023.
- Handled wind-powered vessel MV E SHIP for the first time at AKPL.
- Largest container vessel handled, (MV Prague Express) with LOA of 335.47 meters and Beam of 42.8 meters.
- Highest number of rice rakes handled in a month; May 14, 2023.
- Highest rice volume handled- 1,986 TEUs in May 2023.
- Highest liquid cargo handled in 24 hours - 12,774 MT on July 17, 2023.
- Highest cargo discharge in 24 hours from Berth No. N-6: 46,450 MT on August 30, 2023.
- Inducted recently procured locomotive from Indian Railways for port operations.
- Completed project Kavach Inspection and rectification of all Electrical equipment.

**59.21 MMT**

Cargo volumes handled, FY 2023-24

### Strategic highlights

- Prompt dredging was undertaken in the channel post-cyclone Michaung to address the decreased depth and restore operational efficiency.
- The channel width was expanded from 100 meters to 200 meters as part of the mitigation measures.
- Achieved a channel depth of 17.7 meters to ensure smooth navigation and berthing of vessels at the port.
- Equipment shortage prompted the port to initiate the conversion of certain Ship to Shore (STS) cranes for dry bulk cargo handling.
- Acquired new iron ore customers during the fiscal year, expanding its clientele.
- Enrolled in the National Open Access Registry (NOAR) to reduce electricity costs.

### Awards and accolades

- Winner of Environmental Excellence Award by the Greentech Foundation at the 23<sup>rd</sup> Annual Greentech Awards 2023 for outstanding achievements.



## Karaikal Port

### Overview

Karaikal Port, situated near the town of Karaikal in the union territory of Puducherry, India, is an all-weather deep water port spread across an area of 611 acres. Commissioned in April 2009, the port has been instrumental in handling a wide range of cargo types since its inception. These include Coal, Iron-Ore, Limestone, Clinker, Sugar, Sand, Cement, Fertilisers, Project Cargo, Agro Commodities, Liquid Cargo, and Containers. Karaikal Port serves the northern hinterland of Tamil Nadu, offering multimodal connectivity. It holds a unique position as the sole port situated centrally between Chennai and Tuticorin, both approximately 300 km away. This central location enhances its accessibility and efficiency in serving the region. It is equipped to handle various types of cargo, including Dry Bulk, General Cargo (Break Bulk), and Liquid Cargo.

**22 MMT**

Cargo handling capacity



### Operational highlights FY 2023-24

- Handled largest parcel on a Cape vessel for gypsum (Vessel name: Kyla Fortune, 1,15,690 MT with a draft of 13.50 m)
- Handled its highest cargo volumes of 1.26 MMT in December 2023
- Handled 26 marine vessels in October 2023
- The port handled its highest ever annual cargo volumes since inception in FY24

## 12.28 MMT

Cargo volumes handled, FY 2023-24

### Strategic highlights

- Streamlining multiple vendors and employing new reliable vendors for manual Rake loading to overcome equipment shortage.
- Replacing multiple unreliable tippler vendors with 2 vendors for 26 equipment to address spillage of fertiliser cargo and loading delays.
- Fabricating 2 new hoppers in-house to mitigate vessel unloading delays caused by damaged non-mechanised hoppers.
- Installation of weighbridge operator cabin to reduce Truck turnaround time from 4 minutes to 45 seconds.
- Customs process debottlenecking by issuing gate passes with relevant information, saving entry time at gate by 10 minutes per vehicle.
- Introduction of hot seat relieving for crane operators, saving 30 minutes of non-productive time.
- Increasing draft to 14.0m in the Channel and alongside to facilitate berthing of vessels on a 24x7 basis.
- Assembling and replacing 24 fenders in-house, saving on outside service costs.
- Fabricated cleated belt for MBU truck loading conveyor in-house using old plain belt, saving costs on new procurement.

### Awards and accolades

- Awarded by CM Puducherry government on May 13, 2023 to Marine team for saving blue whale.
- Certificate of Excellence from the Director General of Forests and Wildlife.



## Vizinjham Port

### Overview

Vizinjham Port, situated 16 kilometres south of Thiruvananthapuram in Kerala, is envisioned as a state-of-the-art, all-weather, multi-purpose transshipment port offering deep draft and well-planned greenfield development. Its strategic location on the international shipping route connecting Europe, the Persian Gulf, and the Far East, just 10 nautical miles away from the east-west shipping axis, makes it an ideal choice for tapping into India's container transshipment traffic.

Furthermore, its proximity to major international shipping routes presents lucrative opportunities for bunkering conventional and sustainable fuels, catering to maritime trade needs. The port is equipped to accommodate vessels with a carrying capacity of up to 18,000 TEUs. Vizinjham Port is being developed as the first semi-automated port in India, aiming to set a new standard for operational efficiency among container terminals nationwide.

### Key developments

- Phase I of the project aims to establish a terminal with a nameplate capacity of 1.0 million TEUs, as per the Concession Agreement
- Efforts are underway to expedite the commissioning of Phase I,
- featuring an 800-meter berth length equipped with 8 quay cranes and 24-yard cranes, targeted for completion by the first quarter of fiscal 2024-25
- Future phases entail the development of an additional
- 1,200m Container Berth, expansion of the backup yard, a breakwater extension of 900 meters, and additional berths for handling multipurpose and liquid bulk cargo, with corresponding storage facilities.



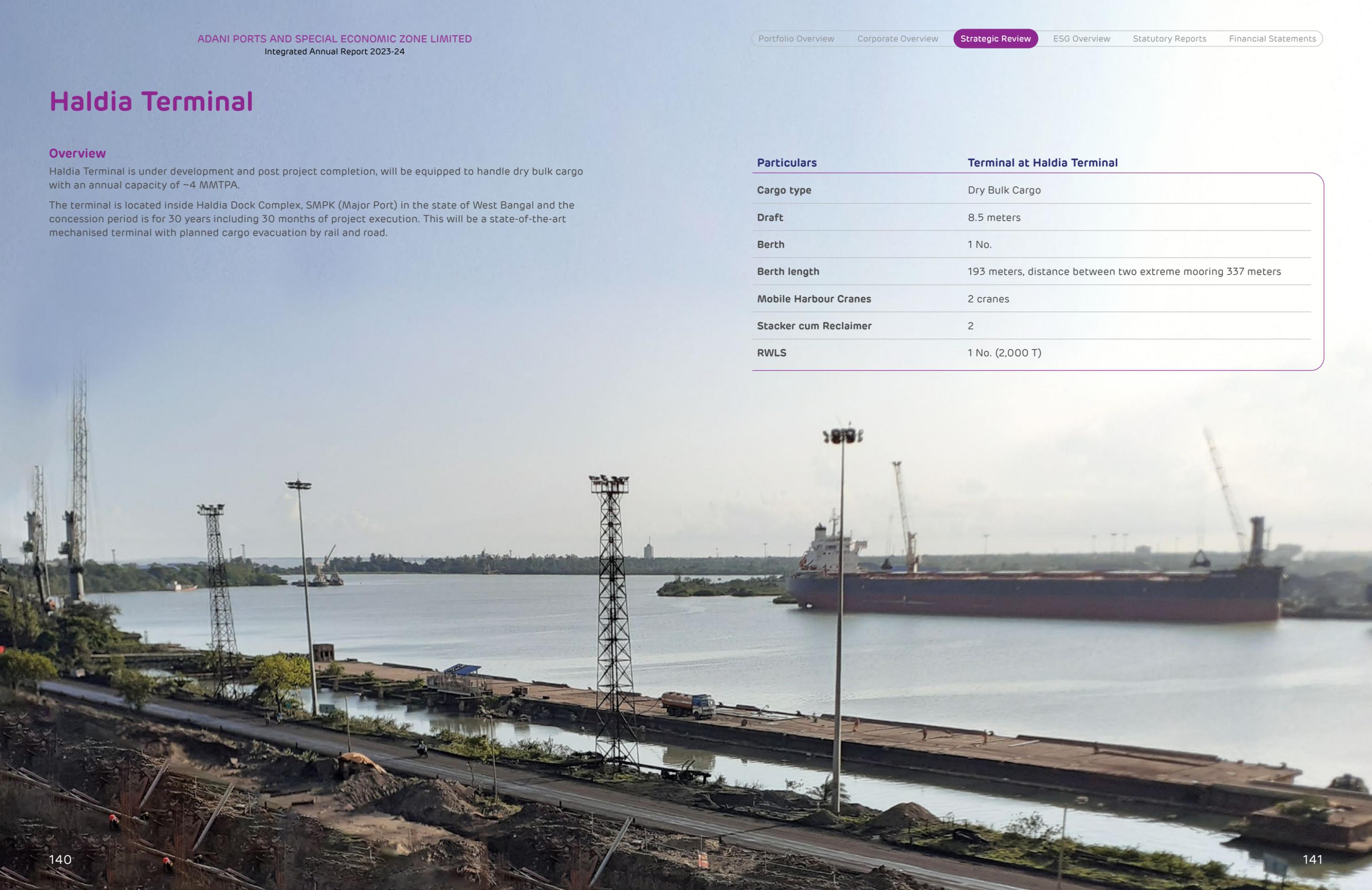
# Haldia Terminal

## Overview

Haldia Terminal is under development and post project completion, will be equipped to handle dry bulk cargo with an annual capacity of ~4 MMTPA.

The terminal is located inside Haldia Dock Complex, SMPK (Major Port) in the state of West Bangal and the concession period is for 30 years including 30 months of project execution. This will be a state-of-the-art mechanised terminal with planned cargo evacuation by rail and road.

Particulars	Terminal at Haldia Terminal
Cargo type	Dry Bulk Cargo
Draft	8.5 meters
Berth	1 No.
Berth length	193 meters, distance between two extreme mooring 337 meters
Mobile Harbour Cranes	2 cranes
Stacker cum Reclaimer	2
RWLS	1 No. (2,000 T)



# 4

## ENVIRONMENT, SOCIAL AND GOVERNANCE

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Mount Makalu, the fifth highest mountain in the world

ESG APPROACH

# Responsible and sustainable pathway for the future

## ESG at Adani Ports

Our ESG strategy is aligned with various national and international standards, frameworks, guidelines and commitments such as TCFD, UNGC principles, NGRBC, GRI standards, IIRC, BRSR, SDGs and IBBI to achieve our objectives. Our ESG principles are implemented throughout the project's lifecycle, from its conception to the end-of-life by material ESG topics across all business stages. We prioritise setting and implementing targets backed by an appropriate policy framework approved by the Board of Directors and relevant committees.

Addressing stakeholder concerns and responding to the voice of various stakeholders, internal as well as external, are important to our ESG approach. We fulfil these through continuous stakeholder consultations and grievance redressal initiatives.

We disclose our ESG performance through our integrated report, dashboards and other publications or forums. To keep disclosures transparent and accurate, we follow a robust assurance process for non-financial information. APSEZ participates in disclosures like S&P Global's Corporate Sustainability

Assessment and provide ESG information to other rating agencies including CDP, Moody's and Sustainalytics.

Finally, we remain committed to achieving carbon neutrality of the port business by 2025 and aligning with various other commitments linked to a social licence to operate, climate change, employee well-being and ecosystem preservation. We believe that sustainable value creation is not just beneficial for the Company but the entire value chain and our ESG strategy reflects this belief.

## ESG Governance

To ensure the oversight of our sustainability agenda and ESG priority areas, we have a well-defined governance structure, from the Board to the strategic business unit levels.

- At the Board level, we have formed the Corporate Responsibility Committee (CRC) for overseeing the implementation of our ESG strategy and ensuring alignment of sustainability standards and climate-related risks and opportunities with our business. The committee also oversees progress on sustainability goals, including climate-related goals and targets.
- Our cross-functional Sustainability Leadership Committee (SLC), led by the CEO, is responsible for ensuring the operationalisation of sustainability action plan as part of our business strategy.
- At the site level, the departmental heads facilitate

the implementation of our sustainability strategy within their respective functions through the Sustainability Steering Committee (SSC).

Our Board is supported by committees like the Corporate Responsibility Committee (CRC), Corporate Social Responsibility Committee (CSRC), Stakeholders Relationship Committee (SRC) and Risk Management Committee (RMC). The CRC oversees the implementation of ESG strategy and

policies. It also oversees strategy to manage climate change risks and opportunities including climate transition risks. ESG priorities are embedded across business areas and corporate and business units, with the ESG team developing the Company's ESG agenda and supporting business functions in driving implementation.

Business functions, in turn, are responsible for executing the ESG agenda, tracking and monitoring performance.



### Board oversight

- Corporate Responsibility Committee (CRC) - Quarterly/ Half yearly meetings
- Corporate Social Responsibility Committee (CSRC)
- Stakeholders Relationship Committee (SRC)
- Risk Management Committee (RMC)



### Management oversight

- Sustainability Leadership Committee (SLC) - Sustainability Steering Committee (SSC) – site level
- Corporate Level



### Working group

**Corporate ESG Team**  
Develops the Company's ESG Agenda and supports business functions in driving the implementation.

**Site ESG team**  
Responsible for the implementation and execution of the ESG agenda, tracking and monitoring performance

## Business functions

Responsible for the implementation and execution of ESG agenda, tracking and monitoring performance.

## Management approach

### Policies and guidelines

APSEZ's policies are approved at the Board level and in line with global standards. They aid in identifying, managing and mitigating ESG risks and impacts, ensuring sustainable business operations.

Name of Policy	Details	Stakeholder Groups	Board Committee
<b>Environmental Policy</b>	Environmental & climate objectives and targets	Employees Suppliers Customers Governments	Corporate Responsibility Committee
<b>Energy &amp; Emission Policy</b>	Energy and carbon mitigation strategies	Employees Suppliers Customers Governments	Corporate Responsibility Committee Risk Management Committee
<b>Biodiversity Policy</b>	Biodiversity, land use and no net deforestation	Communities Governments Employees Supplier	Corporate Responsibility Committee
<b>Water Stewardship Policy</b>	Fresh water footprint, wastewater treatment	Employees Suppliers Governments	Corporate Responsibility Committee
<b>Corporate Social Responsibility Policy</b>	Improve lives through Integrated & Sustainable Development	Communities Governments	Corporate Social Responsibility Committee
<b>Occupational Health &amp; Safety Policy</b>	Safe and healthy workplace; prevent occupational illness	Employee Supplier Customers	Corporate Responsibility Committee
<b>Human Rights Policy</b>	Prevention of child labour & forced labour, employee workplace harassment and discrimination	Employees Communities Suppliers Customers	Stakeholders' Relationship Committee Corporate Social Responsibility Committee
<b>Stakeholder Engagement Policy</b>	Approach for engaging with the stakeholders	Investors Customers Employees Communities Partners Service providers Regulatory and government bodies NGOs/Social organisations Media	Stakeholders' Relationship Committee

Name of Policy	Details	Stakeholder Groups	Board Committee
<b>Privacy Policy</b>	Safeguarding the personal data of the concerned stakeholders	Employees Customers Suppliers Partners	Information Technology & Data Security Committee
<b>Related Party Transaction Policy</b>	Approval, disclosure and reporting requirements for related party transactions	Shareholders	Audit Committee
<b>Dividend Distribution &amp; Shareholder Return Policy</b>	Dividend payout	Shareholders Investors	-
<b>Nomination &amp; Remuneration Policy</b>	Qualification and remuneration of directors and senior management	Directors Investors	Nomination & Remuneration Committee
<b>Code for Fair disclosure of UPSI</b>	Procedures for fair disclosure of unpublished price sensitive information	Investor	Risk Management Committee

### Environmental policy

Our focus on environmental protection is guided by our Company-level Environmental Policy, which lays down our commitment related to operations, logistics and management covering our own operations, suppliers and joint ventures. Environmental policy applies to all services, operations & maintenance business facilities, corporate processes, distribution and logistics, management of waste facilities, suppliers, service providers, contractors, joint venture partners, due diligence, mergers and acquisitions.

#### Coverage of environmental policy

##### Type

Our EMS is verified through international standard ISO 14001:2015

##### Total coverage (%)

**100**

##### Examples of certification document

International Organisation for Standardisation certification ISO 14001:2015

In 2018, we developed an Environment Action Plan to guide our company's efforts in reducing its environmental footprint and driving positive changes within the shipping sector through advocacy and by influencing our value chain partners to be more responsible. As a part of our commitment to transparency and accountability, we report annually on our progress in implementing the plan. Given that we expect stringent regulatory actions for any non-compliance, we believe that early action to drive aggressive management of impacts will lead to a more competitive business overall. Integrating a proactive approach

to environmental management enables us to improve our operational efficiencies, mitigate risks to our business and impacts to nature, build better relationship with communities and other stakeholders. We have aligned with the highest standards of corporate governance practices with an approach to prevent, engage on, and continuously improve our emissions management, energy use and water consumption along with that protect biodiversity and minimise impacts on ecosystem.

### Systems Supporting ESG Implementation

The Integrated Management System supports the implementation of our ESG policies across all units, including joint ventures, partners, customers, and suppliers, based on legal requirements and standard operating procedures. All our operating ports and two joint ventures (AICTPL and ACMTPL) are certified with IMS (Quality Management System (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018), Energy Management System (ISO 50001:2018). Three ports are ISO 28000:2017-certified (Security Management System for Supply Chain). Our dredging company SSIDL and harbouring company TAHSL are certified with IMS.<sup>3</sup> Logistic. Sites (Kishangarh, Patli, Mallur) are certified with IMS, comprising (Quality Management System (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018). All our operating agri-logistics

sites are certified with Food Safety Management systems (ISO 22000:2018).

At APSEZ, we have implemented ISO 27001:2013 to ensure compliance with our information security policy, and all business and department heads are responsible for adhering to it. Overall, 61% of our operational ports are certified with ISO 27001:2013. We provide regular training on information security to employees and third parties, including sub-contractors, consultants, and vendors, to meet audit, legal, statutory, regulatory, and contractual requirements. We have extensive training programmes and use cross-functional teams to share knowledge and best practices continuously.

The Sustainability Information Management System (SIMS) facilitates decentralised data input, enabling designated individuals to regularly evaluate ESG related performance and progress. Both the site and headquarter ESG teams oversee this process, providing monthly reports on most indicators to senior management. Additionally, they report quarterly to the Board and external stakeholders. SIMS streamlines the monitoring and reporting of sustainability information, ensuring effective communication and transparency throughout the organisation.

At APSEZ, we prioritise regular training to ensure compliance with regulatory requirements for employees, third parties, and subcontractors. We implement multi-level training programmes that involve cross-functional teams to share best practices across the organisation. These training initiatives aim to enhance

knowledge, skills, and awareness related to regulatory compliance.

Furthermore, we believe in motivating our employees through rewards and incentives. As part of our motivation strategy, we offer variable pay components for specific employees, aligning their performance and contributions with their compensation. This approach encourages employees to strive for excellence and actively participate in meeting organisational goals.

### Audit and Assurance

We conduct audits to ensure our sustainable operations comply with applicable laws and regulations. We use ISO 14001:2015 environmental management system standards and other management standards to evaluate our performance. Environmental audits are conducted annually by IR Class and sustainability assurance is conducted half-yearly by TUV India. Additionally, internal audits are carried out every six months.

Environmental and social management system [ESMS] is crucial in today's global economy as it allows businesses to integrate environmental and social standards into core operations, anticipate risks, and address concerns from stakeholders. We have made environmental and social management frameworks in accordance with IFC Performance Standards and have developed Environment & Social Management Plans aligned to the standards. Suppliers and vendors are regularly monitored and graded on ESG performance, while customers are required to follow Berthing Guidelines and comply with Environmental Protection guidelines.

### Incident investigation and correction

APSEZ has implemented a robust system of corrective and preventive actions aligned with our Integrated Management System (IMS), which adheres to ISO-14001:2015, ISO-45001:2018, and ISO-9001:2015 standards across all our facilities.

We have developed various channels for reporting grievances. These include a 24x7 platform available on our website, dedicated telephone numbers, and drop boxes placed at prominent locations. Individuals such as supervisors, seniors, and department heads across our sites can be directly contacted to report any grievances. We have developed a set of mechanisms – including phone lines, web platform and complaint registers – which allows communities to report their grievances. The grievances recorded by the community are reviewed and escalated to the

concerned department which provides resolution within a specified timeframe. In the pursuit of enhanced transparency, we have implemented an Integrated Grievance Management System that enables aggrieved individuals to view the status of their grievances, track their resolution, and provide feedback.

### Compliance Management

APSEZ diligently monitors and ensures adherence to all legal and statutory obligations through Legatrix. If there are any instances of non-compliance, our IT-enabled compliance management system, Legatrix, promptly informs the Compliance Officer. Legatrix serves as a comprehensive resource library for the management, providing a detailed framework. The Compliance Officer regularly reviews it to minimise any potential mishaps.

Regarding environmental compliance, APSEZ consistently submits necessary reports and documentation to relevant regulatory authorities, such as the Ministry of Environment, Forest, and Climate Change (MoEF&CC), the Central Pollution Control Board (CPCB), the State Pollution Control Board (SPCB), and the State Coastal Zone Management Authority (SCZMA). This includes a half-yearly compliance report on Environment & Coastal Regulation Zone (CRZ) clearance, as well as an annual Environment Statement (Form V). These submissions are also made available on the company's website. Furthermore, APSEZ ensures transparency by making available copies of all obtained Environment Clearances and six-monthly environment compliance clearance reports on its website for anyone to download.

During the year, we have not paid any environmental compensation in FY 2023-24

	FY 2021-22	FY 2022-23	FY 2023-24
<b>Location</b>	All APSEZ operations	All APSEZ operations	All APSEZ operations
<b>No. of non-compliance breaches</b>	Nil	Nil	Nil
<b>Monetary fines</b>	Nil	Nil	Nil

### ESG Targets and Performance

APSEZ has set ESG goals and targets to achieve by 2025, including those that will help the company reach carbon neutrality. Our reporting boundary covers ports, logistics, dredging, and other businesses. The Company strives for continuous improvement in its ESG performance and regularly reviews its ESG strategies, targets, and initiatives to ensure they remain relevant and effective.

**Environmental**

Contribution to UN SDGs:



Indicator	FY 2023-24 target	Actual achievement by FY 2023-24	2025 Target
Renewable share in total electricity	15%	13%	100%
Energy intensity reduction	50%	51%	50%
Water consumption intensity reduction	60%	61%	60%
Water withdrawal from non-shared resources	55%	56%	80%
Waste intensity reduction	30%	52%	30%
Zero waste to landfill certification	6 ports	6 ports	12 ports
Mangrove afforestation	4,200 Ha	4,240 Ha	5,000 Ha
Terrestrial plantation executed	1,150 Ha	1,267 Ha	1,200 Ha

**Social**

Contribution to UN SDGs:



Indicator	FY 2023-24 target	Actual achievement by FY 2023-24	2025 Target
Voluntary attrition	6%	10%	< 4%
Employee satisfaction	4.2	3.95	4.5/5
Average employee training (days)	4.5	8	5 days
Supplier satisfaction	4.25	4.25	4.75/5
Customer satisfaction	4.25	4.5	4.75/5
Safety (fatalities)	Zero Incident	6	Zero Incident
Community-based skill development programme (no. of beneficiaries)*	1,00,000	1,22,510	1,00,000 enrolments
Women's self-help group (no. of groups formed)*	265	338	265
Access to primary education (Students)	15,000	21,570	25,000
Enhancing access to primary health (Mobile Health Care Units)	80,000	85,141	1,50,000
Enhancing green cover and promotion of biodiversity through tree plantation	1,51,000	1,64,038	1,60,000

\*These KPIs have already been achieved

**Governance**

Contribution to UN SDGs:



Indicator	Details
New Policy	Privacy Policy: Introduced the policy for personal data protection for concerned stakeholders.
Updated Policy	Stakeholder Engagement Policy: Redefined our approach and scope to engage with stakeholders.

**Our guiding focus**



- APSEZ participated in CDP annual disclosures for climate change and water security.
- In CDP Disclosure 2023, APSEZ Scored 'A-' for Climate Change and 'B' for Water Security. APSEZ also received 'A-' in the Supplier Engagement Rating.



- APSEZ signed up for India Business & Biodiversity Initiative.
- APSEZ submitted its first progress report in 2020.



- APSEZ developed Environmental and Social Management System in alignment with IFC's eight performance standards.
- APSEZ developed site-specific management plans which is under implementation across the sites.

**S&P Global**

- APSEZ is participating in DJSI Corporate Sustainability Assessment.



- APSEZ aligns its ESG activities with the United Nations Sustainable Development Goals (SDGs).



- APSEZ is a member of the Climate Ambition Alliance, committed to net zero emissions by 2050.

**TCFD**

- APSEZ is a supporter of the Task Force on Climate Related Financial Disclosures.
- The Integrated Annual Report FY 2023-24 is aligned to TCFD recommendations.
- APSEZ published its first TCFD report in FY23 and an updated report in FY24.



- APSEZ is a member of International Union for Biodiversity Conservation. (IUCN LfN India)
- APSEZ is enhancing awareness among employees across its sites through IUCN - Leaders for Nature.



- APSEZ is a member of United Nations Global Compact since 2020 and committed to conduct all activities in alignment with the 10 Guiding Principles.
- APSEZ submitted the latest communication on progress in February 2024.



- APSEZ endorses United Nations CEO Water Mandate.



- APSEZ is in the process of setting 1.5°C aligned science based target and submitting it for validation by SBTi

**INTEGRATED REPORTING**

- APSEZ publishes its annual disclosure as per the IIRC framework.



- APSEZ submits the Business Responsibility & Sustainability Report (BRSR) as part of Integrated Annual Report.

ENVIRONMENT STEWARDSHIP

# Reducing our ecological footprint to create a greener future

APSEZ is deeply committed to environmental sustainability and the preservation of natural resources. As a leading port developer and operator in India, we recognise the significance of reducing the ecological impact of our activities. Through innovative practices and adherence to global environmental standards, we strive to create a balance between operational objectives and environmental responsibilities. This commitment is evident in our efforts to integrate eco-friendly technologies, enhance energy efficiency, and involve communities in environmental conservation efforts, paving the way for a greener and more sustainable future.

### Key Highlights

9%: Energy Intensity Reduction

25%: Waste Intensity Reduction

3%: Reduction in Emission Intensity

1%: Water Consumption Intensity Reduction

56%: Water Withdrawal from Non-shared Resources

6: Zero Waste to Landfill Certification

### Material Topics Impacted

- Natural disaster & extreme weather
- Affordable and clean energy
- ESG compliance
- Climate change
- Emission management

### Capitals Impacted



### SDGs Linked



## Climate Change: Our Commitment to Carbon Neutrality by 2025

The escalating pace of climate change is surpassing the predictions of many experts, positioning it as the defining crisis of our time. In response, we have adopted an ambitious target to achieve Carbon Neutrality by 2025. Our dedication to confronting this challenge is encapsulated in our comprehensive climate strategy, centred around a multi-faceted approach to environmental stewardship.

### Our Climate Strategy: A Three-Pronged Approach

We have developed a climate strategy based on three foundational pillars, each designed to significantly lower our environmental footprint and contribute to a more sustainable future.

- 1. Reducing Greenhouse Gas Emissions:** At the forefront of our efforts is the commitment to significantly reduce greenhouse gas emissions across all our operations. By identifying and implementing measures to reduce emissions at their source, we aim to set a benchmark for environmental responsibility.
- 2. Enhancing Energy Efficiency:** Recognising the critical role of energy efficiency in mitigating climate change, we are dedicated to optimising our energy use. This includes adopting state-of-the-art energy-efficient technologies and revamping existing processes to ensure maximum efficiency.
- 3. Embracing Renewable Energy:** Transitioning to renewable energy sources is a cornerstone of our strategy. By investing in solar, wind, and other renewable energies, we are moving towards a sustainable energy mix that reduces our dependency on fossil fuels.

### Reduce our impact

Through low carbon pathway commitments, reduce emissions in operations and supply chain

### Building resilience

Enhance physical and strategic resilience of both our operations and key stakeholders

### Strengthen the system

Develop robust system to track and ensure integration of climate change in relevant business activities

### Increasing Operational Resilience

Beyond these pillars, we are also focused on bolstering the resilience of our operations against the impact of climate change. This entails developing robust frameworks that integrate climate considerations into our decision-making processes, ensuring our operations can withstand and adapt to changing climatic conditions.

### Commitment to Resource Conservation

Our resolve to mitigate climate change is mirrored in our proactive initiatives to conserve water, minimise waste, and embrace energy-efficient technologies. By doing so, we not only reduce our carbon footprint but also contribute to the conservation of precious natural resources.

## Achieving Net-Zero by 2040: Our Five Strategic Levers

We are committed to a net-zero future by 2040. Towards this, we have outlined a comprehensive strategy to confront climate change. Our approach is structured around five key levers, each designed to serve as a critical step towards achieving our ambitious goal. These levers are interconnected with each lever enhancing the impact of the others to form a cohesive strategy towards sustainability.

- 1. Sustainable Infrastructure Development:** Prioritising green building practices, renewable energy, and sustainable materials to minimise our environmental impact while supporting growth.
- 2. Resource Planning:** Managing natural and human resources efficiently and responsibly, aiming to reduce waste and consumption for future sustainability.
- 3. National/International Standards Compliance:** Meeting and surpassing national and international sustainability standards, showcasing our commitment to environmental stewardship.
- 4. Process Optimisation with Technology:** Adopting innovative technologies to enhance operational efficiency, reduce waste, and minimise environmental impact.
- 5. Positive Legal Compliance:** Going beyond mere adherence to laws, engaging proactively with policy-making processes, and advocating for sustainable industry practices.

These levers guide our actions towards not just compliance, but leadership in sustainability and responsible business practices, setting new industry standards for environmental stewardship.

## Climate Governance and Action

### Governance Framework

Our governance structure, led by the Board and supported by several specialised committees – Corporate Responsibility (CRC), Corporate Social Responsibility (CSRC), Stakeholder Responsibility (SRC), and Risk Management (RMC) – ensures comprehensive oversight of our performance, adherence to standards, and risk management. The CRC spearheads the execution of our Environmental, Social, and Governance (ESG) strategy and policies, focusing on managing transition risks and achieving ESG objectives. ESG management is woven throughout our operations, from Board-level to individual business units, ensuring alignment with our overarching goals.

The CRC, at the corporate level, evaluates performance against

environmental and social benchmarks and shapes our strategic direction. Meanwhile, the dedicated ESG team advances the Company's ESG agenda and aids various departments in operationalising these strategies.

### Executive Oversight and Risk Management

The ESG Head, acting as the Chief Risk Officer and reporting directly to the CEO, oversees business risk management, guaranteeing independence and effectiveness. Our approach to risk management is dynamic, involving a Group-level Risk Management Team that monitors changes in the business landscape in real-time to devise and implement responsive strategies. This process is seamlessly integrated with our business

planning and compliance efforts. Given the growing importance of climate-related risks, our ESG leadership works closely with the Risk Management and Audit Committee to ensure these risks are fully incorporated into our enterprise risk management framework.

### Proactive Climate Action

Acknowledging the significant risks posed by climate change, we are committed to achieving carbon neutrality by 2025, with ambitions for net zero emissions by 2040. Our proactive approach includes setting science-based emission reduction targets through the Science-Based Targets initiative (SBTi), a process currently in motion and pending validation. Our leadership in climate initiatives positions us to

surpass the national targets set by India's Nationally Determined Contributions (NDC) well ahead of schedule.

### Climate-Related Incentives

To foster a culture of sustainability and active engagement in climate initiatives, we offer a suite of climate-related incentives. These rewards, both financial and non-financial, are designed to acknowledge and encourage significant contributions towards reducing emissions, embracing renewable energy, enhancing energy efficiency, and bolstering climate resilience.

### Climate-Related Incentives

We have developed a robust incentive framework to foster innovation and action towards climate change mitigation and sustainability. This framework spans various levels of our organisation, from individual employees to top management, ensuring that our commitment to environmental stewardship is integrated into every aspect of our operations.

### Employee-Level Incentives

- **MADHYAM Online Reward Scheme (2016):** Designed to encourage employees to share innovative ideas directly with the Chairman on strategy, operations, CSR, and technology. Ideas undergo rigorous assessment, categorised by impact level and financial incentive, ranging from ₹ 5,000 to ₹ 50,000. Successful implementations are recognised by the Chairman.
- **Employee Spot Recognition:** This scheme acknowledges and rewards employees for exemplary contributions towards energy saving, waste management,

and adopting greener commute practices, enhancing a sense of belonging and motivation.

- **Awards & Recognition for Technical Projects (2018):** Aim to motivate technical professionals to enhance plant performance and adopt advanced technology for business sustainability and reliability. This is targeted at improving energy efficiency and adopting scientific approaches.

### Management-Level Incentives

- **Business Unit Managers:** Corporate ESG targets are cascaded down to divisional and departmental levels, including specific sites like ports and logistics centres. These targets are monitored through individual trackers, with performance impacting variable pay.
- **CEO Incentives:** The CEO's variable pay is linked to a blend of financial and ESG indicators, including revenue, EBIDTA,

ROCE, and sustainability metrics like energy, GHG, and water intensity, zero waste to landfill, and mangrove afforestation. Recommendations from the Nomination and Remuneration Committee guide remuneration, subject to Board and shareholder approval.

### Organisation-Wide Incentives

- **General Policy:** Around 30% of compensation for certain roles is linked to ESG performance, aligning personal achievements with our sustainability objectives.

Through these targeted incentives, we aim to encourage and recognise the contributions of our team members at all levels towards reducing emissions, enhancing energy efficiency, and achieving our climate-related goals. This comprehensive approach ensures that our commitment to the environment is reflected not just in our operations, but also in the way we value and reward our employees and leaders.



▲ Turtles in Dhamra Port

## Climate Risk Assessment and Management

Recognising the profound effects of climate change, including rising sea levels, changing weather patterns, and extreme weather events, on our operations, we pledge to undertake a thorough climate risk assessment procedure. This process is crucial for identifying, assessing, and mitigating the diverse risks posed by climate change, thereby safeguarding the resilience and sustainability of our operations and infrastructure.

### Our Approach to Climate Risk

APSEZ employs a thorough climate risk assessment methodology to identify both physical and transitional climate-related financial risks, as well as the potential impact on our business. Our strategy encompasses the management of immediate, medium-term, and long-term risks, ensuring a comprehensive risk oversight that includes the evolving challenge of climate change.

We adhere to the guidelines set forth by the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD framework aids in categorising climate risks and formulating strategies to mitigate their financial impacts on our business. This adherence not only enhances our understanding of such risks but also bolsters our reporting and management capabilities.

### Managing Transition and Physical Risks in a Low-Carbon Economy

The shift towards a low-carbon economy necessitates substantial modifications across policies, regulations, technologies, and markets to meet the mitigation and adaptation demands of climate change. These changes harbour transition risks that could impact our organisation financially and reputationally. Our proactive stance involves continuously

adapting and refining our decarbonisation strategies to align with both national and international regulations, aiming to lead the transition while maintaining sustainability. For evaluating climate-related transition risks, we base our analysis on the global shift towards a pathway consistent with limiting warming to 1.5 degrees Celsius by 2040.

### Transition Risk Management

Our commitment to mitigating transition risks includes a forward-looking approach, where we assess potential challenges and opportunities under the global agenda to transition to a low-carbon economy. Recognising the dynamic nature of these risks, we are dedicated to implementing robust decarbonisation strategies that are both effective and aligned with evolving policies and technological landscapes. Our goal is to navigate these transitions smoothly, ensuring our business not only adapts but thrives, thereby reinforcing our position as a leader in sustainable practices.

### Physical Risk Evaluation

In addressing physical risks, APSEZ draws from the Intergovernmental Panel on Climate Change (IPCC) and utilises the Representative Concentration Pathway (RCP) 4.5 scenarios, focusing on two distinct timeframes: 2021-2050 and 2041-2070. Our strategy

is to leverage these insights to effectively navigate the transition towards a low-carbon economy, showcasing our preparedness to mitigate the impacts of climate change while seizing new opportunities for growth and innovation.

### Strategic Measures and Scenario Analysis

To align our operations with the best practices for managing climate-related risks, APSEZ has engaged in both qualitative and quantitative scenario analyses. This involves examining various climate change scenarios to evaluate potential vulnerabilities and bolster our resilience against climate-related risks. Scenario analysis is a critical tool that enables us to explore a broad spectrum of potential climate impacts, encompassing diverse levels of risk, uncertainty, and volatility.

Our objective through this analysis is to ensure that our assets and operations are not only protected from the adverse effects of climate change but are also poised to seize emerging opportunities.

Going forward, APSEZ remains committed to refining our climate risk assessment and management processes, ensuring that we are prepared to navigate the challenges and opportunities presented by a changing climate.

### Climate-Related Scenario Analysis for a Sub-2-Degree Future

Aligned with our commitment to the Task Force on Climate-related Financial Disclosures (TCFD), we intend to bolster our climate resilience through strategic targets set for 2025. These initiatives are crucial steps toward ensuring our operations are sustainable in a world striving to limit global warming to under 2 degrees Celsius.

### Key 2025 Targets for Enhanced Climate Resilience

- Targeted Climate Resilience and Adaptation Measures:** Our immediate focus is on implementing comprehensive climate resilience and adaptation strategies at four of our ports identified as most vulnerable to climate change impacts. These ports include Mundra and Hazira in Gujarat, Dhamra in Odisha, and Krishnapatnam in Andhra Pradesh. The selection of these ports is based on a thorough assessment of their exposure to climate-related risks, including rising sea levels, extreme weather events, and other climate change implications.
- Climate Vulnerability Assessment for Newly Acquired Ports:** Another critical component of our strategy is to conduct detailed climate vulnerability assessments for all newly acquired ports. This proactive approach ensures that any new additions to our portfolio are immediately evaluated for climate-related risks and opportunities, allowing us to integrate necessary adaptation measures.

### Climate Change Risk Mitigation Strategy

Our commitment to environmental stewardship is demonstrated through our Carbon Neutrality Roadmap, targeting net zero carbon emissions by 2025. Our strategy encompasses a comprehensive emission mitigation plan that includes:

- Energy Intensity Reduction:** Aim to reduce energy intensity by 50% in 2025 from the 2016 levels, through efficiency improvements across operations.
- Equipment Electrification:** Transition to electric-powered equipment, including Rubber Tyred Gantry cranes (RTGs), Mobile Harbour Cranes (MHCs), Internal Transfer Vehicles (ITVs), and locomotives, to reduce fossil fuel consumption.
- Renewable Energy Sourcing:** Shift the entire electricity supply for our operations to renewable sources, significantly cutting down our carbon footprint.
- Emission Offsets:** Implement carbon offset projects to neutralise emissions, ensuring total emissions reduction aligns with our net zero goal.

Our approach is estimated to lead to a 69% reduction in emissions from renewable energy sources, 3% from equipment electrification, and 28% from carbon offsets, achieving a 100% reduction in total emissions.

### Climate Change Vulnerability Risk Assessment

Following IPCC guidelines, we have conducted a Climate Change Vulnerability Risk Assessment focused on our port operations infrastructure. This qualitative evaluation addresses the resilience and adaptation measures needed

for our most vulnerable ports, incorporating implementation timelines and cost implications. To date, assessments have been completed for 14 ports, providing insights into their climate change exposure and sensitivity.

### Managing Climate-Related Risks

Our leadership team, Board, and relevant committees oversee the organisation's principal risks and uncertainties, including those related to climate change, on an annual basis. Our operational risk management framework encompasses policies, processes, and systems to effectively manage these risks. The operational risk committee specifically addresses climate change and sustainability risks.

### Internal Carbon Pricing

Internal carbon pricing is a pivotal strategy for reducing our greenhouse gas (GHG) emissions, mitigating financial impacts of GHG regulations, and promoting low-carbon investments. Before implementing projects, we evaluate GHG impact and prioritise technologies that reduce emissions. This not only meets our financial objectives but also enhances our environmental sustainability. We've established an internal carbon price of USD 20 per metric tonne of CO<sub>2</sub> equivalent for Scope 1 and Scope 2 emissions, directing funds towards renewable projects and energy efficiency initiatives.

APSEZ generated a fund of USD 9.4 million through this carbon pricing measure.

## Advancing Towards a Low-Carbon Society Through Climate Finance and Sustainable Solutions

### Low-Carbon Services for Sustainable Solutions

Our commitment to fostering a low-carbon society is unwavering. We achieve this by offering our customers a suite of sustainable solutions aimed at reducing their carbon footprint. Central to our efforts is the provision of integrated logistics solutions that not only meet our customers' needs but also advance the sustainability of our offerings. We are dedicated to enhancing the eco-friendliness of our transportation options, aligning our operations with the broader goal of promoting sustainability.

### Addressing Greenhouse Gas Emissions

The challenge of greenhouse gas (GHG) emissions and their contribution to global warming is a critical concern worldwide. The outcomes of COP28 and the evolving discourse on climate change underscore the importance of climate commitments and actions for businesses globally. Our future prosperity, societal well-being,

and business growth hinge on our collective ability to reduce GHG emissions. It is imperative to take decisive steps toward mitigating these emissions to ensure a sustainable and resilient future.

### Our Strategy for GHG Emission Reduction

We are actively implementing energy efficiency measures across our operational locations and increasing the share of renewable energy (solar and wind power) in our energy mix. Our journey towards decarbonising our operations includes electrification and harnessing renewable energy sources. This journey is marked by continuous innovation, effective collaboration with partners, and the adoption of the best-available technologies.

To meet our ambitious goal of becoming "Carbon Neutral by 2025", we are enhancing energy efficiency across all operational sites and boosting the use of renewable energy. Our Energy and Emission Policy guides us in

developing initiatives and adopting technologies to lower GHG emissions. We rigorously measure, monitor, and review our GHG emissions, adhering to the GHG Protocol corporate accounting and reporting standard, which covers seven greenhouse gases recognised by the Kyoto Protocol.

### Focus on Reducing Scope 2 Emissions

APSEZ's carbon mitigation strategy primarily targets the reduction of Scope 2 emissions, which arise from our electricity consumption. By integrating renewable energy sources into our power generation mix, we aim to significantly reduce these emissions. Our efforts are also directed at minimising Scope 1 emissions through the electrification of operations and enhancing energy efficiency. Our success in this endeavour is evident in our emissions for the fiscal year 2023-24, which were considerably below our targets for Scope 1, Scope 2, and Scope 3 emissions. Despite an increase in business volume, we have managed to slightly decrease our emission intensity per unit of revenue, demonstrating our commitment to sustainability and our progress towards achieving carbon neutrality.

Year	Scope 1 Emissions (tCO <sub>2</sub> eq)	Scope 2 Emissions (tCO <sub>2</sub> eq)
2020	92,905	1,89,555
2021	1,10,394	1,96,160
2022	1,29,438	1,93,062
2023	1,21,102	2,61,951
2024	1,26,197	3,43,428



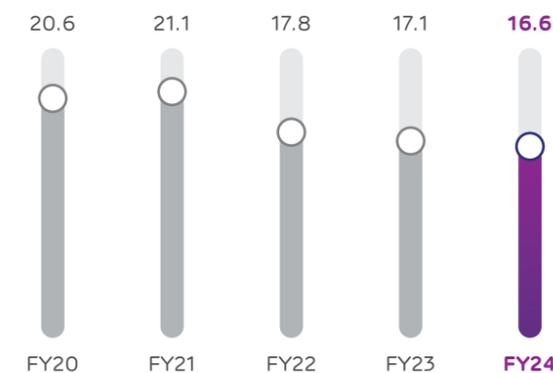
▲ Mangrove plantation in Mundra

### Addressing Scope 3 Emissions: Enhancing Our Carbon Footprint Management

APSEZ is committed to comprehensively managing our carbon footprint by actively monitoring and reporting Scope 3 emissions. This involves a detailed examination of upstream and downstream activities in our supply chain, allowing us to identify and mitigate climate risks beyond our direct operations. By focusing on Scope 3 emissions, we enhance our carbon reduction efforts across the entire value chain, reinforcing our dedication to sustainability and environmental responsibility.

Scope 3 Category	FY 2022-23 (tCO <sub>2</sub> e)	FY 2023-24 (tCO <sub>2</sub> e)
1. Purchased Goods and Services	4,75,391	3,27,542
2. Capital Goods	8,48,219	9,81,553
3. Fuel- and energy-related activities (not included in Scope 1 or 2)	1,32,022	64,025
4. Upstream transportation and distribution	4,22,719	3,41,195
5. Waste generated in operations	329	329
6. Business travel	169	498
7. Employee commuting	1,367	1,321
8. Upstream leased assets	Not Applicable	Not Applicable
9. Downstream transportation and distribution	97,653	1,12,876
10. Processing of sold products	Not Applicable	Not Applicable
11. Use of sold products	Not Applicable	Not Applicable
12. End-of-life treatment of sold products	Not Applicable	Not Applicable
13. Downstream leased assets	11,589	11,513
14. Franchises	Not Applicable	Not Applicable
15. Investments	33,614	46,362
Other downstream	0	0
Other upstream	0	0

### GHG Emission Intensity (tCO<sub>2</sub> eq per crore of revenue)



### Emissions of Ozone Depleting Substances (ODS)

Ozone Depleting Substances (ODS)	Quantity (in Kg)
R-134	25
R-22	1,817
R-32	90
R-407C	94

Case Study

**Electrification of Internal Transfer Vehicles (E-ITVs) for Carbon Emission Reduction**

**Objective**

Our initiative aimed at eliminating diesel consumption in Internal Transfer Vehicles (ITVs) to reduce carbon emissions, aligning with the United Nations Sustainable Development Goal 13 (Climate Action).

**Activity Overview**

The project focused on the procurement of Electric Internal Transfer Vehicles (E-ITVs) as a pivotal step towards our Climate Change Mission and achieving Carbon Neutrality.

**Project Description**

Internal Transfer Vehicles (ITVs) are crucial for efficient port operations, facilitating the movement of container cargo between ships and the yard. Traditionally powered by diesel, these ITVs contribute significantly to greenhouse gas (GHG) emissions. In pursuit of our commitment to reduce carbon emissions and advance towards a carbon-neutral future, we have undertaken a transformative initiative.

- We transitioned to a more sustainable operation by procuring 51 electric ITVs for Marine Infrastructure Developer Pvt. Ltd. (MIDPL) and an additional 24 electric ITVs for Adani Ennore Container Terminal Pvt. Ltd. (AECTPL). This shift not only aims to curb carbon emissions from port operations but also sets a precedent for integrating sustainable practices within the industry.
- To complement the electrification of ITVs, we installed a solar power system dedicated to meeting the changing needs of these vehicles. This ensures that the electric ITVs are powered by a clean, renewable energy source, further reinforcing our commitment to sustainability.

**Outcomes**

- Achieved a **100% reduction in diesel consumption** for ITVs, directly contributing to our environmental goals.
- Realised an **emission saving of approximately 180 tCO<sub>2</sub>e per month**, marking a significant stride towards our carbon neutrality objectives.

**Managing our emissions to achieve energy efficiency**

We are steadfastly committed to augmenting our operational capacities for energy preservation and are actively involved in broadening our utilisation of renewable energy. This endeavour constitutes a pivotal component of our strategy to reduce our environmental footprint. Our endeavours are concentrated on reinforcing our energy conservation methodologies and incorporating additional renewable energy sources, showcasing our unwavering commitment to minimising our ecological impact.

Effective energy management stands at the forefront of APSEZ's climate change strategy. We understand that energy consumption is a primary driver of greenhouse gas (GHG) emissions, highlighting the critical need for optimising energy usage. Moreover, since energy expenditures significantly influence our operational costs, efficient energy management is vital for maintaining cost-effectiveness. All our operating ports and two joint ventures (AICTPL and ACMTPL) are certified with Energy Management System (ISO 50001:2018). Recognising the pivotal role of energy

management in combating climate change, APSEZ is proactive in its approach which is evident in the consistent reduction in our energy consumption intensity.

To ensure precise monitoring and management of energy use, APSEZ employs a comprehensive system for data collection and analysis for predefined energy consumption KPIs, allowing for the identification and rectification of irregularities across all sites. Our continuous endeavour towards energy optimisation is further demonstrated through regular energy audits, quantified energy

saving targets, implementation of reduction actions, continuous evaluation of progress, utilisation of clean energy, investment in innovative technologies to decrease energy consumption, and training delivery to employees on energy efficiency. Annual surveillance audit is conducted under Energy Management System (ISO 50001:2018) to evaluate the progress against objectives and targets on energy consumption, determine the areas of significant energy use and identify the opportunities for improvement in energy performance.

**APSEZ's energy management strategy**

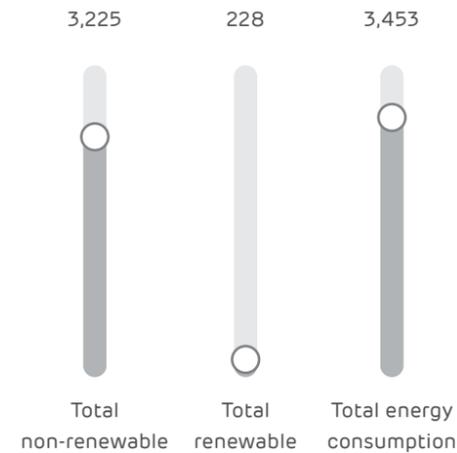
- 1. Increasing Operational Energy Efficiency:** We are committed to raising awareness about energy conservation within our operations and implementing rigorous monitoring measures to optimise energy use and achieve greater operational efficiency.
- 2. Adopting New Technologies for Energy Efficiency:** Innovation plays a crucial role in our energy management strategy. We actively explore and adopt cutting-edge technologies that offer improved energy efficiency and sustainability. This approach not only enhances our operational performance but also positions us as a leader in adopting environmentally friendly practices.
- 3. Utilising Alternative Fuels/Clean or Green Energy:** In our quest to reduce greenhouse gas emissions, we are exploring the use of alternative fuels and investing into renewable power generation. By diversifying our energy sources, we aim to decrease our reliance on traditional fossil fuels, thereby reducing our carbon footprint and contributing to a cleaner environment.
- 4. Electrifying Equipment and Machines:** Electrification of our equipment and machinery is a key aspect of our strategy to lower emissions. We aim to significantly reduce the environmental impact of our operations, underscoring our commitment to sustainability and energy efficiency.

**Snapshot of the year**

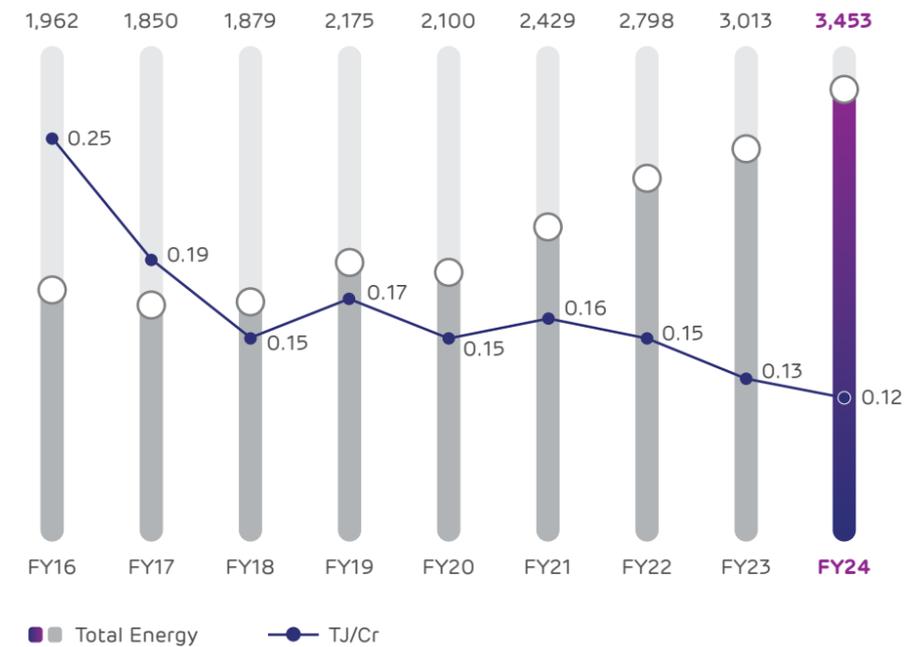
- In the fiscal year 2023-24, our total energy consumption reached 3453 TJ, marking an increase of 15% compared to FY 2022-23. This rise was attributed to the addition of a new port, Kariakal.
- Despite the increase in total energy consumption, we observed a decrease in energy intensity from 0.134 TJ to .122 TJ per crore in revenue.
- We aim to source 15% of our total electricity consumption from renewable energies by 2024. Impressively, this year, we have achieved 13% renewable energy consumption.

Our goal is to source 100% of our electricity from renewable energies by 2025, underscoring our dedication to minimising our carbon footprint, endorsing clean energy practices, and contributing to a greener and more sustainable future.

**Total Energy Consumption (TJ)**



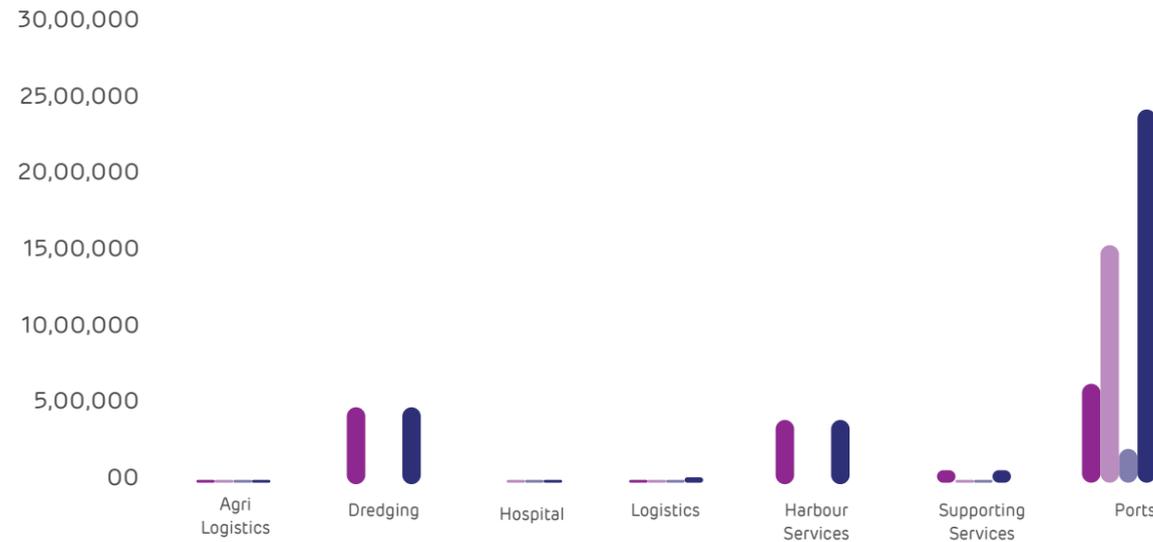
**Total Energy Consumption (TJ) and Energy Intensity (TJ/Revenue in crore)**



Our energy consumption increased marginally by 15% in FY 2023-24.

Total Fuel Energy	16,60,077
Acetylene	145
Bio Diesel	-
Diesel	12,48,474
FO/HFO	3,21,617
Jet Kerosene	81,501
LPG Contract	4,301
LPG Own	1,466
Petrol	502
PNG Own	2,071

**BU-Wise Energy Consumption (TJ)**



Energy Category	Agri Logistics	Dredging	Hospital	Logistics	Harbour Services	Supporting Services	Ports
FE (GJ)	1,686	4,89,878	-	27,662	4,04,746	81,740	6,54,365
GE (GJ)	9,019	-	1,936	5,575	-	2,958	15,45,500
RE (GJ)	34	-	296	1,856	-	454	2,25,596
<b>Total Energy(GJ)</b>	<b>10,740</b>	<b>4,89,878</b>	<b>2,232</b>	<b>35,093</b>	<b>4,04,746</b>	<b>85,152</b>	<b>24,25,461</b>

**Enhancing Energy Efficiency Across the Value Chain at Our Ports**

In a concerted effort to boost operational efficiency and diminish environmental impact, our ports have embarked on a various energy reduction initiatives. These measures are part of our broader commitment to sustainability, focusing on both direct and indirect strategies to minimise energy use across the value chain.

**Energy Efficiency Measures**

- **Mechanisation and Streamlining of Operations:** A pivotal move towards modernising port activities has been the mechanisation and streamlining of operations. This approach not only enhances the speed and efficiency of cargo handling but also significantly reduces the reliance on manual labour. The introduction of advanced machinery and optimisation of operational processes have led to a marked improvement in overall productivity.

**Adoption of High-Efficiency LED Lighting:**

Transitioning from conventional lighting systems to high-efficiency LED lights on high mast towers has been another key initiative. The switch to LED lighting achieves dual objectives: it ensures improved visibility and safety within the port premises as well as leads to substantial reductions in energy consumption and carbon emissions. The energy-saving and longevity attributes of LED lights further underscore the environmental benefits of this transition.

**Impact and Benefits**

These initiatives have yielded notable improvements in energy efficiency, contributing to a reduction in the overall energy consumption within the port area. By modernising operations and adopting greener technologies, the ports have not only enhanced operational efficiency but also significantly mitigated their environmental impact. The reduction in energy usage aligns with global sustainability goals and positions the ports as leaders in eco-friendly practices.

## Ensuring ambient air quality

At APSEZ, we are aware of the environmental implications associated with air pollution, particularly the emission of nitrogen oxides (NOx) and sulphur oxides (SOx) resulting from fuel combustion in our operations. Recognising the significant impact of these pollutants on public health and natural ecosystems, we are dedicated to improving our sustainability performance through diligent air quality management.

Our commitment extends to minimising air pollutant emissions effectively. We achieve this by adhering to the relevant legal standards for air emissions and implementing comprehensive air quality management strategies. These include continuous emission monitoring, rigorous emission reduction initiatives, and active stakeholder engagement to collectively address and mitigate the impact of air pollution.

We collaborate with local communities, regulatory bodies, and industry partners to reduce emissions and enhance overall air quality, thereby reducing the disproportionate impact of air emissions on our communities.

A notable challenge at our port facilities is the emission of pollutants from diesel-powered equipment, vehicles, and marine vessels. These sources are primary contributors to the release of particulate matter (PM), NOx, CO, SOx, and various air toxics. Moreover, dust from cargo handling and storage operations, especially at our Krishnapatnam and Kattupalli dry cargo terminals, poses additional air quality concerns. To combat this, we employ a variety of innovative dust control technologies, such as dry fog systems, water sprinklers, and enclosed cargo handling mechanisms, ensuring a significant reduction in dust emissions.

We also invest in greenbelt development to serve as a natural buffer, mitigating the effects of air emissions and noise pollution on adjacent communities. Our efforts are guided by a robust Environmental Policy, underscoring our pledge to reduce non-GHG emissions through proactive identification, monitoring, and reporting practices in compliance with regulatory standards.

### Non-GHG Emissions Focus

Our proactive approach to managing non-GHG emissions is exemplified by our Integrated Management System (IMS), which allows for the identification and monitoring of emission sources. We conduct thorough stack monitoring for a range of pollutants, including SO<sub>2</sub>, NO<sub>2</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>, and more, adhering to the stringent guidelines set by the State Pollution Control Board (SPCB).

Through our half-yearly compliance reports, accessible on our website, we demonstrate transparency and commitment to environmental regulations. The introduction of our MERCURY software tool enhances our ability to record, monitor, and compare non-GHG emissions against the National Ambient Air Quality Standards (NAAQS), facilitating immediate corrective actions when necessary. Our consistent adherence to NAAQS limits underscores our dedication

to environmental stewardship and sustainable practices.

Understanding the importance of data in formulating effective emission mitigation strategies, we are committed to providing comprehensive and accurate emission data. We transparently share our non-GHG emission reduction efforts and initiatives through our half-yearly compliance reports, emphasising our commitment to accountability and transparency.

### Emission Reduction Initiatives

We undertake numerous initiatives across our ports to minimise non-GHG emissions. Some of these initiatives include:

- Retrofitting devices were installed in all DG (Diesel Generator) sets at our Ennore and Kattupali Ports, requiring an expenditure of approximately ₹ 2 crore. Other ports are also in the process of installing similar retrofitting devices for DG sets to reduce non-GHG emissions.
- Rain guns are employed for fugitive dust suppression at the minerals stack yard.
- Mechanised road sweeping machines are utilised for effective dust control.

- Pre-wet system is implemented before wagon tipping to minimise dust emissions.
- Closed conveyor systems are utilised to reduce particulate matter emissions.
- Rail wagons at the wagon covering shed are covered with tarpaulins to prevent dust emissions.
- Wagon cargo loading is performed using closed silo systems to minimise fugitive emissions.
- Mechanised handling, including loading and unloading of cargo from ships, is carried out to minimise emissions.
- Dust suppression systems are installed at conveyor lines and transfer points.
- Water sprinkling is applied on stack yard internal roads to control dust emissions.
- A dedicated team is responsible for maintaining proper housekeeping practices.
- Movable mist cannons are used for the control of fugitive emissions.

These measures reflect our holistic approach to environmental management, aiming to significantly reduce non-GHG emissions and foster a sustainable future for our ports and the communities.

Parameter	UOM	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25 Target
NOx	(Mg/Nm <sup>3</sup> )	95	92.04	29.08	30
SOx	(Mg/Nm <sup>3</sup> )	11.43	7.51	24.46	25
Particulate Matter (PM <sub>10</sub> & PM <sub>2.5</sub> )	(Micro gram/ Nm <sup>3</sup> )	20.55	13.51	54	100

### Case Study

#### Enhancing Air Quality at Adani Ennore Container Terminal Pvt. Ltd. Through Diesel Generator Retrofitting

##### Objective:

To significantly reduce particulate matter (PM) emissions by retrofitting diesel generators at Kattupalli and Ennore Ports, contributing to the achievement of UN Sustainable Development Goal (SDG) 13, which focuses on climate action.

##### Project Overview:

Recognising the environmental impact of particulate matter emissions from backup diesel generators used in port operations, Adani Ennore Container Terminal Pvt. Ltd. embarked on a project to mitigate these emissions. The initiative involved upgrading the diesel generators with advanced emission control technologies to improve their environmental performance. By installing high-efficiency Electrostatic Precipitators (ESP) on the generators, the project is aimed at effectively reducing PM emissions. The ESP technology works by imparting an electric charge to the particulate matter, causing it to be attracted to oppositely

charged plates where it can be collected and removed. This retrofitting process was rigorously evaluated using the ISO-8178 D2 5 mode cycle, a procedure that aligns with the standards set by the Tamil Nadu Pollution Control Board (TNPCB) and the Central Pollution Control Board (CPCB). The innovative self-cleaning mechanism of the ESP ensured the continuous and efficient removal of PM, thereby enhancing the air quality around the port areas.

##### Outcomes:

The retrofitting project at Kattupalli and Ennore Ports achieved remarkable success, with the efficiency of the emission control devices exceeding 90%, well above the TNPCB's minimum requirement of 70%. This significant improvement in emission control demonstrates the project's effectiveness in reducing particulate matter emissions from diesel generators. The achievement underscores Adani Ennore Container Terminal Pvt. Ltd.'s commitment to environmental stewardship and its proactive approach to aligning with regulatory standards and supporting global climate action initiatives.

## Addressing Noise Pollution

While noise pollution may not be identified as a primary concern for our operations, considering their predominantly remote locations, we remain fully committed to responsibly managing and mitigating any potential noise pollution impacts. This commitment stems from our dedication to environmental stewardship and the adoption of sustainable operational practices.

We have in place a comprehensive strategy designed to minimise noise pollution encompassing:

- **Proactive Noise Pollution Assessment:** Identifying potential noise pollution sources and impacts as part of our environmental management efforts
- **Reduction of Noise Levels:** Implementing measures to reduce noise emissions from our operations
- **Ambient Noise Monitoring:** Conducting systematic monitoring of noise levels in the environment surrounding our operations
- **Regulatory Compliance Reporting:** Regularly reporting noise monitoring results to the appropriate regulatory authorities, ensuring transparency and adherence to environmental standards
- **Noise Monitoring for Transport Operations:** Our permits for rail and road operations include stipulations for regular noise monitoring, ensuring that these activities comply with established noise regulations

### Mitigating Noise in Marine Ecosystems

Recognising the potential impact of noise pollution on marine ecosystems, especially from vessel berthing and cargo handling activities, we have taken steps to

understand and mitigate these effects:

- **Noise Pollution Mapping:** Conducted noise pollution mapping to assess the intensity and distribution of noise levels across different areas of our ports.
- **Operational Measures to Control Noise:**
  - Maintaining closed engine doors on ships during berthing to reduce noise emissions
  - Utilising equipment that is designed for noise reduction and employing sound insulation techniques
  - Ensuring regular maintenance of vehicles and equipment to maintain optimal noise levels

### Commitment to Environmental Compliance

As part of our environmental monitoring programme, we engage in continuous noise measurement and reporting activities. Our objectives are to:

- **Ensure Compliance with Standards:** Maintain noise levels within the limits prescribed by our permits, licenses, and relevant standards
- **Transparency and Reporting:** Publish the results of our noise monitoring efforts on our website, including in our half-yearly Environmental Compliance (EC) report

We are proud to report that the outcomes of our noise management strategies consistently meet, if not exceed, the regulatory requirements, showcasing our unwavering commitment to reducing environmental impacts and enhancing sustainability in our operations.

### Measures for Noise Management

The measures taken to ensure safety at various sites were reported in the Company's semi-annual compliance reports, which are available on the Company's website.

- Procurement of machinery/ construction equipment was done in accordance with specifications conforming to source noise levels less than 75 dB (A)
- All the machinery and vehicles were maintained to keep the noise at minimum levels
- Developed greenbelt along the periphery of the operational area
- D.G. sets have acoustic enclosures
- Maintenance of plant machinery and equipment on a regular frequency
- Noise attenuation was practised for noisy equipment by employing suitable techniques such as acoustic controls, insulation, and vibration dampers
- High noise generating activities such as piling and

drilling were scheduled during the day (6 am to 10 pm) to minimise noise impact

- Any equipment emitting high noise, wherever possible, was oriented so that the noise

was directed away from sensitive receptors

- Personnel engaged in construction activity were provided with appropriate PPEs (Earplugs/muffs)

- Regular ambient noise monitoring was conducted as per the environment monitoring plan

## Water Stewardship: Our Commitment to Sustainable Water Management

As global water challenges, encompassing scarcity, pollution, and the impacts of climate change, continue to escalate, the importance of responsible water management has reached unprecedented levels. The intersection of water issues with climate change emphasises the necessity for comprehensive strategies that tackle water scarcity, floods, droughts, and rising sea levels as fundamental components of the broader environmental crisis.

### Understanding the Planetary Boundary for Freshwater

Recent evaluations indicate that humanity has surpassed the safe operational boundary for freshwater usage, endangering ecosystem balance and contributing to deforestation and soil degradation through altered moisture levels. The lack of quality water amplifies preventable diseases, posing significant health risks and further degrading natural systems. These challenges are magnified by climate change, encompassing physical and reputational risks related to water management.

### Integrating Water Risk Assessments

For businesses, the integration of water risk assessments into operational and supply chain strategies is essential for sustainable growth. We conduct water use and risk assessment to identify opportunities to improve the water efficiency by proactively addressing the water-related risks and taking necessary measures to protect our operations and

contribute to the conservation of global water resources. Internally, we train our employees on water efficiency management programmes and empower them to contribute towards our water stewardship efforts.

### APSEZ's Approach to Water Stewardship

At APSEZ, water stewardship is pivotal to our sustainability ethos. Recognising the critical role of water management in our operations and

the well-being of communities, we prioritise:

- **Continuous Monitoring and Measurement:** By regularly assessing our water withdrawal, discharge, and reuse metrics, we maintain a dynamic approach to water management, allowing for the ongoing optimisation of our practices.
- **Transparent Water Governance:** Our commitment to responsible water use is reflected in our



transparent governance models, ensuring accountability and promoting stakeholder trust.

- **Sustainable Water Management Initiatives:** We have embraced a suite of sustainable practices, from investing in water-efficient technologies to engaging with local communities and stakeholders in addressing water challenges collaboratively.
- **Setting and Achieving Water Use Targets:** Our ambitious goals for reducing water consumption are monitored and reported transparently, demonstrating our dedication to effective water stewardship.

### Our Contribution to a Sustainable Water Future

Through our concerted efforts, APSEZ aims to foster a sustainable future where access to clean, safe, and plentiful water resources is a reality for all. Our initiatives and commitment to reducing water consumption underscore our role as responsible stewards of this essential natural resource. By working collectively and innovatively, we endeavour to ensure the sustainability of water resources for generations to come, aligning our operations with the broader goal of environmental preservation and community well-being.

### Strategic Approach to Water Management

We have established a strategic approach to water management aimed at mitigating water-related risks and enhancing the sustainability of our operations. Our comprehensive water strategy is guided by a proactive risk assessment framework, efficient

water use, pollution minimisation, and stakeholder collaboration.

### Local Scenario Planning and Risk Assessment

Understanding the unique water challenges of each locality, we devise tailored scenario plans that reflect the specific water-related contexts of our operational areas. This involves conducting thorough risk assessments to identify potential water scarcity and quality issues and developing strategies to address these risks effectively.

### Optimisation and Efficiency

Internally, we are committed to optimising water usage within our operations. This includes implementing measures to improve water efficiency and reduce water pollution, ensuring our activities have a minimal environmental impact.

### Collaborative Resource Management

Collaboration forms the core of our water management strategy. We engage with a wide array of stakeholders, including local municipalities, communities, and

organisations, to forge collective resource management strategies. These partnerships are instrumental in addressing water-related challenges in a unified manner.

### Water Stewardship Policy

The APSEZ Water Stewardship Policy embodies our commitment to responsible water management. This policy takes a holistic view, encompassing water usage, conservation, protection, stakeholder engagement, and community involvement. It aims to enhance efficiency, resilience, and the long-term sustainability of our operations while contributing positively to environmental and community well-being.

### CEO Water Mandate Commitment

Our endorsement of the CEO Water Mandate, a UN Global Compact initiative, underscores our dedication to adopting sustainable water practices. This mandate provides a framework for addressing water challenges comprehensively, including in our operations, supply chains, and community engagements.

### Strategic Targets for 2025

With FY 2016-17 as our baseline, we have set ambitious targets to achieve by 2025:

- 60% reduction in water consumption intensity
- 83% of water withdrawal from non-competing sources
- Attainment of Alliance for Water Stewardship certification for 12 ports
- Completion of WASH assessments for 12 ports
- Less than 20% share of freshwater withdrawal

### Enhancing Value Through Water Management

Adopting responsible water management practices not only benefits our operations but also addresses the challenges of shared resources in local communities. We are proactive in engaging our value chain, raising awareness about water scarcity among employees, suppliers, and customers, and enhancing their understanding of these critical issues.

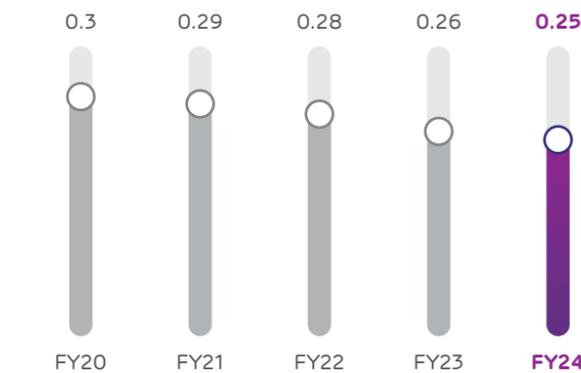
### Water Performance

APSEZ regularly conducts evaluations of its operational sites to assess their impact on water resources, as well as to identify potential risks and opportunities. These assessments consider factors such as water availability, quantity, and quality, along with any relevant regulatory requirements. All potable water withdrawal comes from third-party water sources supplied by municipalities or groundwater. All municipal supplies and groundwater water are categorised as freshwater with Total Dissolved Solids levels of  $\leq 1,000$  mg/L. We monitor and enhance our water performance through clearly laid down targets for reduction of water consumption and water recycling. This helps us in taking informed decisions to improve our water performance as well as the wastewater quality.

Indicator	FY 2024-25 target	Status FY 2023-24
Water consumption intensity reduction*	60%	61%

\*Base year FY 2015-16

### Water Consumption Intensity (ML/Crore)



### Comprehensive Focus Areas

To ensure the sustainability of our operations through effective water management, APSEZ focuses on several key areas:

1. Ensuring access to safe drinking water and sanitation for vulnerable communities.
2. Supporting initiatives aimed at advancing the water and sanitation agenda.
3. Conducting water-resource education and awareness campaigns.
4. Collaborating with public authorities on developing adequate water infrastructure.
5. Reporting on water management activities and progress in line with The CEO Water Mandate and GRI guidelines.
6. Publishing detailed reports on our water strategy, including targets, outcomes, and areas for improvement.

## Wastewater Management: Sustainable Water Practices at APSEZ

We understand the importance of managing wastewater responsibly and sustainably. Acknowledging wastewater management as a critical aspect of our water stewardship efforts, we are dedicated to minimising the environmental and health impacts associated with wastewater from our operations.

### Principles Guiding Our Wastewater Strategy

Our approach to wastewater management is grounded in the principles of reduction, recycling, and responsible disposal. These principles guide us in minimising the volume of wastewater that requires final disposal, thereby reducing our environmental footprint. We strive to:

- **Reduce Wastewater Generation:** By implementing process optimisations and efficiency improvements, we aim to prevent or significantly reduce wastewater production at the source.
- **Recycle and Reuse Wastewater:** Wherever possible, we seek opportunities to recycle or reuse wastewater, adapting our systems and processes to enable this. Our commitment is to transform wastewater into a resource, aligning with the principles of a circular economy.
- **Responsible Wastewater Disposal:** For the wastewater that cannot be reused or recycled, we ensure its disposal is conducted in an environmentally responsible manner, minimising potential impacts on ecosystems and human health.



### Case Study

#### Implementing Zero Liquid Discharge (ZLD) Projects

##### Zero Liquid Discharge (ZLD) Projects:

A cornerstone of our commitment to sustainable water management.

##### Objective:

To enhance the efficiency of Effluent Treatment Plants (ETPs) and promote wastewater recycling.

##### Achievements in Fiscal Year 2023-24:

- Recycled a significant 92% of total wastewater generated.
- Increased wastewater reuse by 135 million litres compared to the previous fiscal year.

##### Impact:

These initiatives significantly reduce our environmental footprint by minimising the volume of wastewater requiring disposal.

##### Strategy:

ZLD projects are part of our broader commitment to implement advanced treatment technologies and innovative solutions for water conservation.

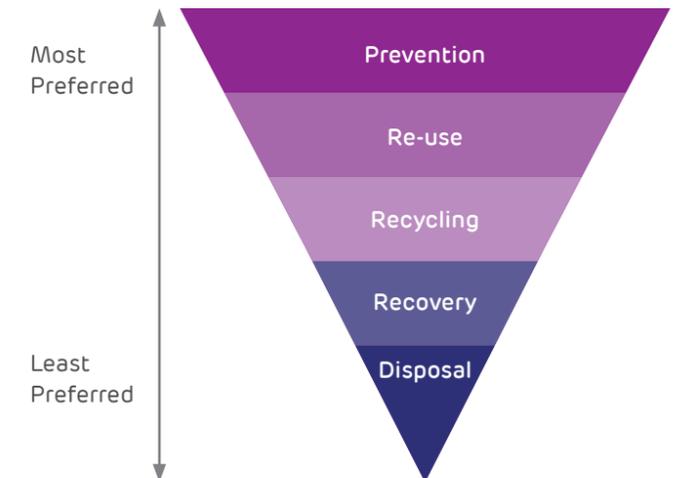
##### Future Goals:

Continuously improve and expand our ZLD initiatives to further enhance water recycling and reuse across all operations.

## Wastewater Management Hierarchy

Our strategy adheres to a wastewater management hierarchy that includes:

1. **Source Reduction:** Prioritising the reduction of wastewater at its source to minimise the volume of management.
2. **Reuse and Recycling:** Implementing systems that allow for the reuse and recycling of wastewater, reducing the demand for freshwater and decreasing wastewater disposal volumes.
3. **Treatment:** Ensuring thorough treatment of wastewater to meet environmental standards before any potential discharge or reuse.
4. **Disposal:** Responsibly disposing of the remaining wastewater in a manner that safeguards environment and human health.



Through these efforts, APSEZ demonstrates an unwavering commitment to responsible water and wastewater management. As we move forward, we will continue to seek innovative ways to enhance our wastewater management practices, ensuring we remain at the forefront of sustainability and environmental responsibility.

### Case Study

#### Sustainable Water Management Collaboration between AHPL and KRIBHCO

##### Objective

To minimise freshwater usage in an economically viable way, aligning with the United Nations Sustainable Development Goal 12 (SDG 12) focused on sustainable consumption and production patterns.

##### Project Overview

Adani Hazira Port Pvt. Ltd. (AHPL) embarked on an innovative partnership with Krishak Bharati Cooperative Limited (KRIBHCO) to leverage treated sewage for industrial use, showcasing a commitment to environmental stewardship and resource efficiency. The collaboration was formalised through a Memorandum of Understanding (MoU), wherein AHPL agreed to procure 2,000 endeavour (KL) of treated wastewater daily from KRIBHCO. This initiative not only offered a cost-effective alternative to freshwater consumption but also marked a significant step towards reducing AHPL's environmental footprint.

##### Key Activities

- **Infrastructure Development:** AHPL constructed an 18 km dedicated pipeline to transport recycled water from KRIBHCO, ensuring a seamless supply.
- **Operational Methodology:** The arrangement involved KRIBHCO supplying treated wastewater to AHPL, with charges applied based on the quantity exceeding the daily commitment of 2,000 KL at a pre-negotiated rate. In the fiscal year 2023-24, AHPL utilised 6,22,521 KL of recycled water in its industrial processes.

##### Benefits

- **Freshwater Footprint Reduction:** This project significantly reduced AHPL's reliance on freshwater sources, contributing to water conservation efforts.
- **Cost-Effective Water Supply:** The initiative ensured the availability of quality water at a lower cost compared to alternatives such as desalination.
- **Capital and Operational Efficiency:** Compared to other water sourcing options, this project offered lower capital and operational expenditures.
- **Reliable Infrastructure:** The dedicated pipeline system facilitated hassle-free operations for water reception and distribution.

## Promoting responsible waste management practices

We uphold a strong commitment to spearheading cutting-edge material management and waste reduction strategies. This commitment not only establishes us as a trailblazer in sustainability but also cultivates a culture of environmental responsibility among our employees, ultimately boosting productivity, cutting costs, and advancing toward a sustainable future. Embracing the principles of sustainable consumption and production, our objective is to curtail resource consumption, reduce dependence on hazardous materials, and substantially decrease the emissions of waste and pollutants across all phases of our operational lifecycle.

### Comprehensive Resource Conservation Efforts

- **Sustainable Practices:** We are steadfast in our commitment to conserving resources through optimised utilisation and recovery, emphasising recycling and reuse to minimise waste production and foster responsible waste management.
- **Combating Marine Pollution:** Our stakeholders recognise the critical issue of marine pollution emanating from various operational phases, including construction and ongoing activities at ports. We address this through strategic waste management practices aimed at reducing waste generation and ensuring proper disposal via authorised facilities.

- **Recycling and Co-processing:** Actively promoting recycling and co-processing strategies, we strive to reduce landfill waste. Our approach includes managing ship-generated waste and port operation waste (including hazardous materials, e-waste, and construction debris) in accordance with regulatory standards.
- **Authorised Disposal and Recycling:** Hazardous and bio-medical wastes are disposed in authorised incineration facilities, while e-waste and lead-acid batteries are recycled through certified handlers, ensuring compliance with the E-Waste Management Rules of 2016 and the Batteries Waste Management Rules of 2016.

### Collaborative and Regulatory Compliance

- **Environmental Programmes:** We have launched several initiatives focusing on waste recycling and reuse, prioritising waste processing at the source for maximum efficiency.
- **Special Economic Zone Collaboration:** We are working in tandem with organisations within our SEZ to monitor and collaboratively address waste management issues, aiming to mitigate adverse environmental impacts.
- **Zero Waste to Landfill Initiative:** Our commitment to achieving zero waste to landfill is underscored by the implementation of the 5R approach (Reduce, Reuse, Recycle, Recover, Reprocess) across our facilities, highlighting our efforts towards sustainable waste management.

### Waste Management Practices

	FY 20	FY 21	FY 22	FY 23	FY24
Total Waste recycled/reused (MT)	4,811	9,785	10,468	11,108	10390
Waste landfilled (MT)	143	140	1,694	944	893
Waste incinerated with energy recovery (MT)	753	532	710	1,132	953
Waste incinerated without energy recovery (MT)	152	263	123	140	345
Waste with unknown disposal method (MT)	0	0	0	0	0
Waste otherwise disposed	0	0	0	0	0
Total waste disposed (MT)	1,048	935	2,527	2,216	2,191

#### Case Study

### Waste Minimisation Strategy

#### Elimination of Single-Use Plastics

- Enacted a comprehensive ban in 2021 across all ports and SEZs, including Mundra.
- Applies to straws, wrappers, disposables, and crockery.
- Provided sustainable alternatives to employees in all port offices and facilities.

#### Waste to Fuel Conversion

- **Bio Gas Plants:** Installed at Mundra and Kattupalli to promote nutrient recycling and reduce greenhouse emissions thus paving, way for circular economy
- **Vermicomposting:** Utilises earthworms to convert biodegradable waste into organic manure, promoting eco-biotechnology in waste management.
- **Organic Waste Converters:** Deployed at three ports to turn organic waste into compost for organic farming.

#### Paper Use Reduction

- Transitioned to digital communications, making publications exclusively online.
- Advocated for waste minimisation and recycling among employees to cultivate environmental stewardship.

#### Case Study

### Achievements and Future Goals

- **Zero Landfill Achievement:** 6 of our sites have achieved zero waste to landfill, a testament to our sustainable waste management practices.
- **Comprehensive Waste Management Measures:** Our strategies include recycling biodegradable waste, sending non-biodegradable waste to recyclers, utilising STP sludge as soil conditioner.
- **Employee Education and Training:** We continually educate our workforce on responsible waste disposal practices, ensuring a company-wide commitment to sustainability.
- **Ambitious Zero-Waste Targets:** Each business unit is focused on achieving zero-waste status by 2025, encompassing Zero Unauthorised Waste Disposal (ZUWD), Zero Waste to Landfill (ZWL), Zero Waste Incineration (ZWI), and Zero Effluent Discharge (ZED).

Quantity of Waste Generated

**959 tonnes**

Hazardous

**11,296 tonnes**

Non-Hazardous

Notable Achievements

Sold **4,897 metric tonnes (MT)** of metal scrap for recycling, aligning with circular economy goals.

Achieved **ZERO** use of single-use plastics at all sites.

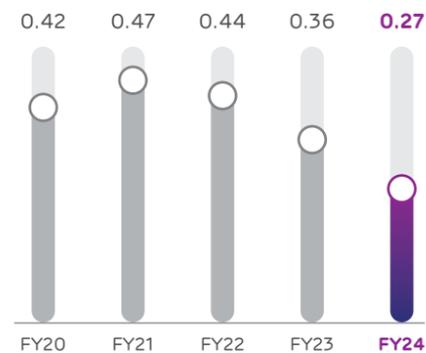
% Waste Processed according to the 5R principle

**99%** of waste managed under the 5R principles:  
Recycled: **56%**  
Reused: **11%**  
Reprocessed: **16%**  
Recovered: **8%**

**FY24 Target for Total waste disposal 2500 MT**

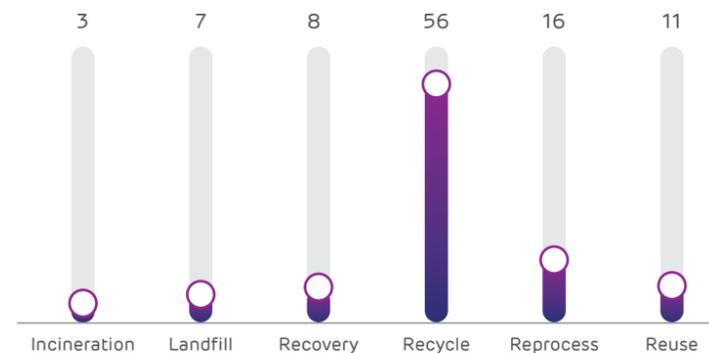
Waste Intensity

(MT/Cr)



Disposal Type

(% of waste)



Waste disposal

	FY 20	FY 21	FY 22	FY 23	FY24
Bio-medical waste (MT)	5	5	7	10	187
Battery (MT)	19	29	35	73	56
E-waste (MT)	5	19	51	111	82
Hazardous waste (MT)	621	769	1,052	1,312	959
Non-hazardous waste (MT)	5,069	6,063	6,768	6,639	6,399

**BIODIVERSITY**

# Biodiversity Conservation with Sustainable Practices

Our dedication to environmental stewardship is reflected in our comprehensive approach to biodiversity and sustainable development. Recognising the invaluable gifts of nature, we are committed to conserving and sustainably utilising the oceans, seas, marine resources, and terrestrial ecosystems. Our efforts are aimed at protecting, restoring, and promoting the sustainable use of ecosystems, managing forests responsibly, combating desertification, and reversing land degradation, all while striving to mitigate biodiversity loss.

Our Foundation: Policies and Partnerships

- Environmental Policy:** Our guiding principles emphasise environmental sustainability and the integration of biodiversity conservation into our operations.
- Biodiversity Policy:** It prioritises biodiversity enhancement & conservation of ecologically sensitive areas while aiming for a Net Positive Impact (NPI) and alignment with the Convention on Biological Diversity to harmonise with nature by 2050.
- International Biodiversity and Business Initiative (IBBI) Signatory:** It demonstrates our global commitment to biodiversity.
- Member of the International Union for Conservation of Nature (IUCN):** This membership aligns with global conservation standards and practices.
- Alignment with National and International Conservation Association:** We have aligned our ports to the Oil Spill Action Plan in line with the National Oil Spill Disaster Contingency Plan (NOS-DCP), International Petroleum Industry Environmental Conservation Association.



### Key Figures (FY 2023-24)

**Mangrove Afforestation & Conservation: 4,240 hectares for afforestation, 3,042 hectares for conservation**

**Terrestrial Plantation Executed: 1,267 hectares terrestrial plantation**

**Wastewater Recycling: 8,99,348 kilolitres for horticulture projects**

**Community Engagement: 2,07,829 man-days in green activities**

**Green Carpet: 4,99,871 square metres of lawn area**

**6 sites: Zero waste to landfill certification**

### Capitals Impacted



### SDGs Linked



### Material Topics Impacted

- Natural disaster & extreme weather
- Affordable and clean energy
- ESG compliance
- Climate change
- Emission management

### GRI Linkage

304

Our efforts encapsulate our commitment to nurturing biodiversity, conserving ecosystems, and fostering sustainable development across operations.

## Biodiversity Commitments

At APSEZ, we are cognisant of the potential impact of our operations on ecosystems and biodiversity. Our commitment to environmental stewardship is guided by a proactive approach to not only minimise these impacts but also to achieve a balance through targeted interventions. Our commitment towards Biodiversity is to attain a Net Positive Impact (NPI) by 2050. To realise this, our initial milestone is to ensure No Net Loss (NNL) of biodiversity, setting the foundation for surpassing our environmental restoration goals.

In line with our goal towards biodiversity, we've crafted Biodiversity Management Plans. These plans are crucial

for pinpointing high-priority conservation areas and establishing risk mitigation strategies within the mitigation hierarchy framework. Our vision involves enacting conservation and restoration actions that go beyond mere compensation, aiming to surpass the ecological effects of our operations and ultimately foster a net gain in biodiversity.

Our biodiversity and environmental commitments are in alignment with the principles of the 'Post-2020 Global Biodiversity Framework' and the vision of the Convention on Biological Diversity, which is to live in harmony with nature by 2050. To ensure these commitments are met, we have established a

comprehensive Biodiversity Policy, ratified by our Board, guiding our efforts to minimise environmental impacts across our operations.

Additionally, we are dedicated to achieving No Net Deforestation by 2050 within our operational footprint and are committed to avoiding eco-sensitive areas. This includes steering clear of areas such as IUCN categories I-IV protected areas, UNESCO World Heritage Sites, and wetlands listed under the Ramsar Convention.

We assess our value chains annually on biodiversity aspects to understand their materiality related to biodiversity. We align our efforts in a way that minimises any adverse

environmental impact caused by our operations, and we aim to align our supply chains with our biodiversity policy.

### Our biodiversity management objectives are multifaceted:

- Promote sustainable land and natural resource management that harmonises conservation efforts with development needs throughout the lifecycle of APSEZ's projects.
- Implement effective measures to avoid or minimise direct and indirect impacts on land use, and terrestrial and aquatic habitats, including but not limited to, shoreline vegetation, wetlands, coral reefs, fisheries, bird life, and other sensitive habitats.
- Protect and enhance biodiversity and ecosystem services within and around APSEZ project sites.
- Foster environmental conservation through the accumulation and dissemination of knowledge, leveraging multi-stakeholder partnerships.

### Biodiversity Strategy:

At APSEZ, environmental sustainability has always been a top priority. We are acutely aware of the potential biodiversity-related risks associated with our operations. To further our ongoing efforts to make a positive impact on the community and the environment, our commitment to biodiversity extends across all our operations. Importantly, none of our operational sites are located in identified biodiversity hotspots or protected areas.

Here are some key points about our approach to biodiversity:

### Biodiversity Commitments/Targets

#### Short-Term Targets

1. Mangrove plantation 5,000 Ha. by 2025
2. Terrestrial plantation 1,200 Ha. by 2025
3. Engage in community-based initiatives

#### Long-Term Targets

1. Net Positive Impact on Biodiversity across all the operational sites by 2050
2. No Net Deforestation by 2050
3. Engage with 100% of our critical suppliers for biodiversity conservation measures

**Annual Engagement:** We engage with both internal and external stakeholders annually to discuss biodiversity topics. This ensures that we stay informed and aligned with best practices.

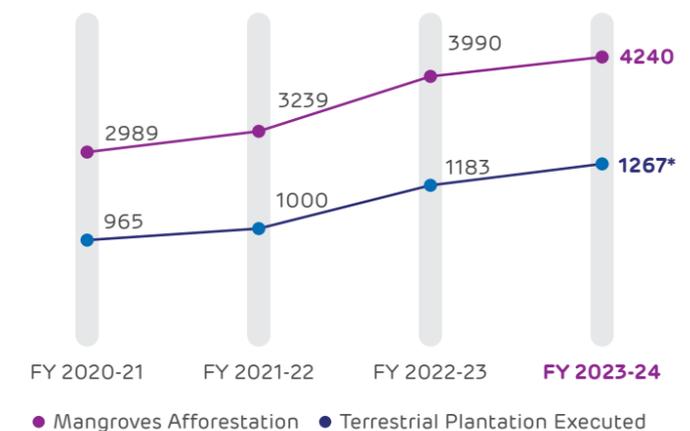
**Board-Level Commitment:** The Board-Level Corporate Responsibility Committee plays a crucial role in driving our biodiversity agenda. It is considered an integral aspect of our business operations. The Board is well-versed in the terms of reference related to managing biodiversity aspects,

ensuring compliance and responsible practices.

**Sustainability Leadership:** Our cross-functional Sustainability Leadership Committee (SLC), chaired by the CEO, ensures the operationalisation of sustainability as a core part of our overall strategy.

**Site-Level Implementation:** At the site level, department heads actively support the implementation of our sustainability strategy through the Sustainability Steering Committee (SSC).

### Biodiversity KPIs (Hectares)



\* Given the two cyclones – Biparjoy and Michaung – in 2023, the adversely impacted plantation areas will need some reforestation.

## Biodiversity Risk Assessment

Our commitment to sustainability encompasses a broad spectrum of risks, including those to biodiversity and ecosystems, alongside critical areas such as climate change, waste, water, and community relations. Our risk management strategy is inclusive of the unique challenges presented by coastal and marine ecosystems, prioritising the mitigation of nature-related risks through a diligent, structured approach.

### Frameworks and Standards Guiding Our Biodiversity Risk Assessment

To ensure our risk assessments are effective, APSEZ adheres to a comprehensive set of frameworks and best practices, integrated into multi-disciplinary company-wide risk management processes. These include:

- **Local and National Regulations:** Compliance with all relevant environmental and social laws, regulations, policies, and guidelines at national, state, and local levels.
- **International Best Practices and Guidelines:** Adherence to globally recognised standards, including the IFC Performance Standards on Environmental & Social Sustainability (2012) and the World Bank Group Environmental, Health, and Safety (EHS) Guidelines.
- **Sector-Specific Guidelines:** Application of the General EHS Guidelines (2007) along with sector-specific guidance for Ports, Harbours, and Terminals (2017), and Shipping (2007).

### Scope and Key Risks in Biodiversity Risk Assessment

Our biodiversity risk assessment scope covers the potential impacts on biodiversity not just within the immediate vicinity

of our ports but also those influenced by our activities both upstream, downstream, and at our direct operation sites. This broad perspective allows us to identify and address risks arising from infrastructure construction, dredging, shipping activities, and land use changes.

Key potential risk areas in upstream include habitat disturbance, the introduction of invasive species; in direct operation includes pollution risks from oil spills and chemical discharges, alterations to natural water flow, and in downstream operations, the noise and vibrations impact the marine life due to movement of vessels.

### Biodiversity Risk Assessment Process

Our process is structured into distinct stages to ensure a comprehensive approach:

#### Stage 1: Preliminary Biodiversity Risk Screening

At the outset of any project, APSEZ embarks on a meticulous screening process to pinpoint potential impacts on biodiversity, particularly in areas of ecological sensitivity. This initial step leverages the Integrated Biodiversity Assessment Tool (IBAT) for Business, pulling from a wide array of databases including the ENVIS Centre on Wildlife and Protected Areas, the IUCN Red

List of Threatened Species, Birdlife Data Zone, ebird.org, and databases from Conservation International and the Critical Ecosystem Partnership Fund, among others. These resources help us identify key species and biodiversity-rich areas that might be affected by our projects. Additionally, through Ecosystem Service Matrix (ESM) analysis, we assess the ecosystem services within and around the project area, such as erosion control and pollution mitigation, to fully understand the environmental dynamics at play.

#### Stage 2: Detailed Biodiversity Impact Assessment

Following the screening, a comprehensive assessment of potential biodiversity impacts is conducted. This evaluation is detailed in our Environmental Impact Statement (EIS) or Environmental Impact Assessment (EIA) reports, which conform to a suite of legislative requirements, international guidelines, and include contributions from experts and the public. These assessments also leverage the Ecosystem Service Matrix (ESM) to identify dependency-related risks to ecosystems within and adjacent to project sites. This stage allows for a nuanced understanding of the direct effects of our operations on biodiversity and the surrounding ecosystem.

### Key Impact-related Biodiversity Risks Identified Include :

- During Construction of Terminals:
  - Increased sediment load and potential changes in water quality due to suspended solids, altered dissolved oxygen levels, and biochemical oxygen demand.
  - Possible impacts from the mix of hydrocarbons and chemicals on water bodies, affecting aquatic ecology.
  - Risks of underwater noise increase affecting aquatic fauna.
  - Potential disruptions to benthic habitats and marine life due to bioaccumulation of toxic materials.
- During Port Operations:
  - Impact on water bodies from increased organic load, potentially affecting water quality and aquatic life.
  - Risks to marine ecology from untreated wastewater discharge, runoff, and vessel movement.

### Stage 3: Formulation of Biodiversity Management Plans

For Mundra, Dhamra, Hazira, and Vizhinjam, APSEZ has developed location specific Biodiversity Management Plans as part of our Environmental and Social Management System (ESMS) reports, aligning with IFC Performance Standards and the Equator Principles. These plans are integral to our framework for Land & Biodiversity Management at every site, aimed at enhancing the biodiversity quotient and mitigating risks. APSEZ have prepared NCAP report for the Mundra and Dahej ports. Additionally, each location has a Biodiversity management plan as an integral part of its Environmental Management Plan.

	Number of sites	Area (Hectares)
Total no. of sites	14*	8,726.0
Assessment	14	8,726.0
Exposure	2	2,293.5
Management Plan	14	8726.0

\*Include 13 Ports and 1- ALL sites

### Mitigation and Enhancement Measures

APSEZ adheres to a mitigation hierarchy for new projects, focusing on avoiding, reducing, regenerating, restoring, and transforming negative impacts through a series of strategic actions:

- **Avoid at Source:** By carefully selecting project locations and designs, we aim to prevent impacts on mangroves and sensitive ecosystems.  
  
Example: The outcome of biodiversity risk screening are considered when deciding on the location and design of

ports, related infrastructure, and operations. The proposed Vizhinjam International Seaport Limited (VISL) port will not impact mangroves or sensitive marine ecosystems due to its location and design.

- **Reduce at Source:** Design improvements and measures such as pollution control and sea traffic management are implemented to minimise impacts.

Example: The Ship tranquillity studies for the ports are conducted to assess sea traffic and take control measures, if



required. This has been done for the Mundra Port, which is APSEZ's biggest port.

- **Reserve areas for restoration, regeneration:** We reserve identified areas for indigenous vegetation at all operational sites and carry restoration and re-generation of biodiversity on a continuous basis.

Example: To mark the UN Decade of Ecosystem Restoration (2021-2030), APSEZ has reserved 40 Ha of land for restoration of natural grassland ecosystem at Guneri Village in Kutch, Gujarat. The project objectives include conservation of endemic species and development of gene

bank, conservation of inland mangroves, development of indirect service of the grassland and development of Indigenous and Community Conserved Area (ICCA), a first of its kind in Kachchh. Additionally, APSEZ will help support local livelihood and fight climate change with the implementation of the project.

- **Transform:** Efforts are made to achieve no net loss of biodiversity, with compensatory measures for unavoidable impacts.

Example: Replacement of biodiversity loss/damage at another location.

#### Stage 4: Ongoing Monitoring of Value Chains and Stewardship

To comprehend the impact of our operations on marine ecosystems, APSEZ conducts regular monitoring to understand and mitigate indirect impacts in its upstream activities. This includes assessing marine biodiversity, hydrodynamic changes, shoreline erosion, and water quality. Through diligent monitoring and integrated biodiversity management plans, we maintain a proactive stance on environmental conservation, ensuring the sustainability of our operations and the protection of marine ecosystems.

## Biodiversity Management Plan

The Biodiversity Management Plan (BMP) at APSEZ represents a cornerstone of our commitment to environmental stewardship and sustainable development. This strategic and integrated approach is designed to ensure the protection and sustainable utilisation of biological diversity within our operational sites. The BMP encapsulates a series of measures aimed at minimising our ecological footprint while fostering the health, resilience, and diversity of ecosystems.

#### Core Components of BMP:

- **Conservation of Species and Ecosystems:** Identifying and protecting critical habitats, species, and ecosystems within and around our operational sites to maintain and enhance biodiversity.
- **Habitat Restoration:** Implementing restoration projects, like the Guneri Restoration initiative, to rehabilitate degraded ecosystems and promote the recovery of native species and habitats.
- **Invasive Species Management:** Developing strategies to

prevent, control, or eradicate invasive species that threaten local biodiversity.

- **Monitoring and Evaluation:** Establishing a systematic approach to monitor biodiversity, assess the effectiveness of conservation measures, and adapt management strategies based on observed outcomes.
- **Community Engagement and Participation:** Collaborating with local communities, stakeholders, and conservation organisations to integrate traditional knowledge and practices in biodiversity conservation efforts.

- **Sustainable Use of Resources:** Promoting practices that ensure the sustainable use of natural resources, thereby reducing negative impacts on biodiversity and ecosystem services.

The objective of the BMP is to harmonise our operational activities with biodiversity conservation, ensuring that we not only comply with regulatory requirements but also contribute positively to global and local biodiversity goals. Through the BMP, APSEZ aspires to lead by example, demonstrating how sustainable operational practices go hand in hand with the conservation and enhancement of the ecosystem.

## Biodiversity Conservation Initiatives

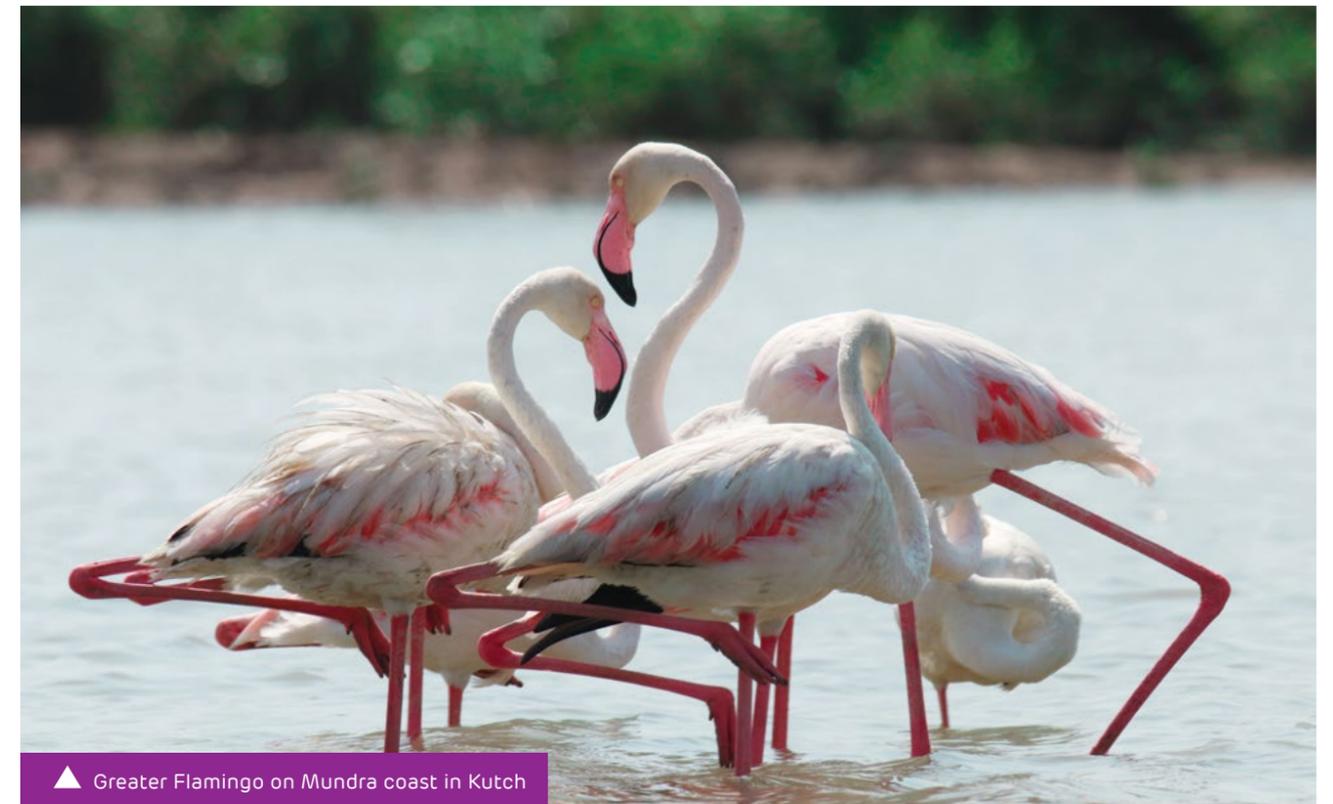
APSEZ is committed to fostering equitable and sustainable management of natural resources. Our goal is to ensure a prosperous future marked by environmental stability and climate resilience. In our journey towards achieving this vision, we have embraced a holistic approach to port development, seamlessly integrating infrastructure growth with nature conservation. This has enabled us to enhance the sustainability of our transport infrastructure while safeguarding biodiversity.

#### Strategic Collaboration for Biodiversity Conservation

APSEZ aligns its operations and partnerships with a clear biodiversity policy. We engage in policy advocacy, dialogue with government bodies, NGOs, and academia, and promote the valuation of biodiversity and ecosystem services. A designated biodiversity champion within the organisation leads our efforts in assessing biodiversity risks and opportunities. APSEZ's membership in the India Business & Biodiversity Initiative (IBBI) underscores our commitment to sustainable biodiversity management.

#### Biodiversity Awareness and Knowledge

The SHIKHAR FY2024 programme hosted a Biodiversity Knowledge Session, engaging 50 environmental experts from various regions. This session highlighted our efforts in conservation, sustainable resource use, and our strategies for protecting terrestrial ecosystems, combating desertification, and reversing biodiversity loss.



▲ Greater Flamingo on Mundra coast in Kutch

**Biodiversity Conservations & Restorations across all the operational sites:**

S. No.	Location Name	Activities
1.	<b>Mundra</b>	<ol style="list-style-type: none"> <li>Mangrove Afforestation [3285 Ha.]</li> <li>Mangrove Conservations [2596 Ha.]</li> <li>Terrestrial Afforestation [215 Ha.]</li> <li>Restoration initiative focused on a 40-hectare grassland region surrounding Guneri village</li> <li>Creation of multi-species Mangrove Biodiversity Park in 20-hectare in Luni village of Mundra taluka, Kachchh, Gujarat, in collaboration with Gujarat Institute of Desert Ecology (GUIDE), Bhuj</li> <li>Vruksh Se Vikas (Prakrurath) drive for community plantation</li> <li>Restore the indigenous forests by indigenous trees in Naya Kapaya Village by Miyawaki Plantation</li> </ol>
2.	<b>Hazira</b>	<ol style="list-style-type: none"> <li>Mangrove Afforestation [200 Ha.]</li> <li>Mangrove Conservations [99.4 Ha.]</li> <li>Terrestrial Afforestation [61 Ha.]</li> <li>Bio-shield project covering an area of 1000x 30 meters on seacoast of Hazira, aimed at generating economic value, blocking saline winds and enhancing the green cover of the region</li> </ol>
3.	<b>Tuna</b>	<ol style="list-style-type: none"> <li>Mangrove Afforestation [255 Ha.]</li> <li>Terrestrial Afforestation [8 Ha.]</li> <li>Bioshield Project covering an area of 5 Ha. to protect the coastlines &amp; increase the green cover</li> </ol>
4.	<b>Dahej</b>	<ol style="list-style-type: none"> <li>Mangrove Afforestation [450 Ha.]</li> <li>Terrestrial Afforestation [25.3 Ha.]</li> <li>Bio-shield project covering an area of 20 Ha. on seacoast of Hazira, aimed at generating economic value, blocking saline winds and enhancing the green cover of the region</li> </ol>
5.	<b>Murmugao</b>	Terrestrial Afforestation [3.5 Ha.]
6.	<b>Dighi</b>	Terrestrial Afforestation [10 Ha.]
7.	<b>Vizhinjam</b>	<ol style="list-style-type: none"> <li>Terrestrial Afforestation [12.05 Ha.]</li> <li>Marine ecology study was carried out by Central Marine Fisheries Research Institute (CMFRI) and Indian Council of Agricultural Research (ICAR), Kochi, Kerala to know the impacts on coastline.</li> </ol>
8.	<b>Karaikal</b>	Terrestrial Afforestation [30 Ha.]
9.	<b>Krishnapatnam</b>	<ol style="list-style-type: none"> <li>Mangrove Afforestation [50 Ha.]</li> <li>Mangrove Conservations [211 Ha.]</li> <li>Terrestrial Afforestation [198 Ha.]</li> <li>Assessment of terrestrial greenbelt and mangrove plantation and their carbon stocking potential.</li> </ol>

S. No.	Location Name	Activities
10.	<b>Ennore</b>	Terrestrial Afforestation [0.18 Ha.]
11.	<b>Kattupalli</b>	Terrestrial Afforestation [28 Ha.]
12.	<b>Dhamra</b>	<ol style="list-style-type: none"> <li>Mangrove Conservations [9 Ha.]</li> <li>Terrestrial Afforestation [214.83 Ha.]</li> <li>Conservation of Kanika Island in collaboration with Forest Department, Govt of Odisha</li> <li>Initiating Turtle Conservation Programmes to protect and conserve endangered turtle species and their habitats</li> </ol>
13.	<b>Gangavaram</b>	Terrestrial Afforestation [108.56 Ha.]
14.	<b>ALL</b>	Terrestrial Afforestation [11 Ha.]
15.	<b>AALL</b>	Terrestrial Afforestation [7 Ha.]

**Commitment of 100 million Trees by 2030 by Adani Group: Contribution to 1t.org**

The Adani Group pledge to grow 100 million trees by 2030. Through its Corporate Agri Sustainability (CAS) team, Adani Group have already planted 29.52 million trees, including mangroves as well as terrestrial trees. The trees to be planted by 2030 would be a mix of mangroves (15 million) and terrestrial (55.66 million). Each business under Adani Group umbrella has contrition towards it. APSEZ is contributing 46% of the plantation to complete 105.27 million plantations. Till 2022, APSEZ have already planted 23.7 million trees (mangroves + terrestrial) and remaining 24.4 million trees is planned to be planted by 2030. This year APSEZ have planted 2.5 million mangrove trees and 0.66 million terrestrials across all its sites.

## Notable Initiatives in Conservation

### Mangrove Afforestation and Conservation:

APSEZ has undertaken significant mangrove afforestation, enhancing marine biodiversity across the seacoast of India, with ongoing efforts and achievements in mangrove conservation at several sites. Commencing in July 2023, we embarked on the Mangrove conservation and gap filling initiatives, and developed a nursery with 22,50,000 saplings of *Avicennia marina*, a resilient species well-suited to Kutch's challenging coastal conditions. Plantation efforts spanned both old sites (1000 ha gap filling) and a new 250 ha site for Mundra region.

### Terrestrial Plantation and Guneri Restoration

Through terrestrial plantation and the pioneering Guneri Restoration project, APSEZ collaborates with local communities to restore grassland habitats, improving biodiversity and soil quality.

The restoration project in collaboration with the Gujarat Ecology Society centred around Guneri village will span over a period of three years that originally commenced with 10 Ha. and will gradually increase up to 40 Ha by the third year. In its second year as of now, the locals prepare the mangrove saplings, nurture it for a year before transplanting it during the

monsoon season. This approach aims to improve grass growth and soil quality in the Chachh area. In the Bhatdagadh plot, trenches were created to retain moisture and aid plant growth. Both the Bhatdagadh and Chachh areas have witnessed a growth in biodiversity, with numerous species of birds, mammals, and butterflies being spotted. The locals play a key role right from nurturing plants to conducting biodiversity surveys. The next phase of the project includes conserving more areas in Chachh, training locals to manage grass plots, and collaborate with experts to conserve Rare and Threatened (R&T) species.

### Community-Based Initiatives and Multi-Species Mangrove Park

Our initiatives extend to community engagement through the Vruksh Se Vikas (Prakrurath) drive and the establishment of a Multi-Species Mangrove Park in Mundra-Kutch, demonstrating our commitment to ecological enrichment and community involvement.

### Turtle Conservation

All the species of sea turtles in the coastal water of Odisha are listed as "vulnerable" as per IUCN Red Data Book. Dhamra Port is part of the comprehensive high level strategy initiative for protection of the endangered Olive Ridley species.

The port area and its navigation channel are outside the Turtle Congregation area. As part of compliance to IUCN

recommendations - Lighting & Dredging protocol are specially designed with "dark sky friendly" lights fixed in the port and township areas. Glare is not transmitted towards sea & in turtle congregation area. Dhamra Ports undertakes collaborative efforts with the Government during mating, congregation, nesting & hatching periods such as providing trawler to the Forest Department for patrolling purposes.

Additionally, Dhamra Port has submitted a proposal for establishing a "Olive Ridley Turtle & Estuarine Crocodile Research Center" at Dhamra in partnership with Government of Odisha (GoO) which is being examined by the GoO.

### Bio-shield Project

APSEZ have implemented first ever bio-shield project at Hazira, Dahej and Tuna regions in Gujarat. Under the project, the identified area is demarcated into smaller sub-areas from the seaward end for plantation of Mangroves, Piludi, Sharu, Unt Morad, fodder, fruits, and medicinal plants, aimed at generating economic value, blocking saline winds and enhancing the green cover of the region. The entire project for bio-shield creation is being carried out in collaboration with the local villages and fisher-folk community, thereby also providing them with livelihood opportunities.

## Oil Spill Prevention and Management

APSEZ has established a robust Oil Spill Action Plan aimed at the prevention and swift mitigation of hazardous substance spills, which pose significant threat to the environment. This meticulous plan aligns with both the National Oil Spill Disaster Contingency Plan (NOS-DCP) and standards set by the International Petroleum Industry Environmental Conservation Association, ensuring compliance with global best practices in spill management.

### Key Aspects of the Oil Spill Action Plan:

- **Comprehensive Coverage:** The plan addresses potential spill scenarios during anchoring, berthing, and cargo handling, encompassing a wide range of operational activities that could lead to spills.
- **Regular Maintenance and Inspection:** A regime of scheduled inspections and maintenance is integral to the plan, focusing on preventative measures to minimise the risk of spills. This includes ensuring the integrity and proper functioning of equipment and containment systems.
- **Land Spill Management:** Recognising that spills can also occur on land with detrimental effects on soil, habitats, and terrestrial life, the plan includes

specific strategies for immediate spill control and cleanup onshore.

- **Zero Spills Achievement:** In the fiscal year 2023-24, APSEZ successfully achieved zero spills, highlighting the effectiveness of its spill prevention and response strategies.

### The 7-Point Oil Spill Action Plan

1. Utilisation of leak-proof containers for the transport of waste materials.
2. Secure storage of hazardous waste in closed containers.
3. Proper stacking and management of containers to prevent accidental spills.
4. Use of tarpaulins to cover waste-loaded transport vehicles, ensuring containment.
5. Provision of first-aid kits for immediate response to

minor injuries that may occur during handling.

6. Conducting periodic inspections to proactively identify and rectify potential spill risks.
7. Implementation of safe working procedures and training for personnel involved in handling and operational activities.

This comprehensive approach not only aids in averting environmental harm, particularly to marine ecosystems but also safeguards APSEZ from potential legal repercussions associated with environmental violations. Through diligent planning and execution, APSEZ demonstrates its commitment to environmental stewardship and the protection of natural resources against the risks posed by oil spills and hazardous substance leaks.

## Future Strategy in Biodiversity Conservation

APSEZ has outlined strategic milestones to further its commitment to biodiversity and environmental sustainability. Our roadmap includes initiatives such as:

- **Mangrove Afforestation:** Expanding our efforts to restore and enhance mangrove ecosystems.
- **Green Census:** Conducting comprehensive surveys to monitor and assess local biodiversity.

- **Biodiversity Park:** Creating dedicated spaces to preserve and showcase regional flora and fauna.

- **Carbon Sequestration Projects:** Implementing measures to capture and store atmospheric carbon dioxide.

- **Massive Plantation Drives:** Undertaking large-scale planting activities to increase green cover.

- **Turtle Conservation Programmes:** Protecting and conserving endangered turtle species and their habitats.

- **Awareness and Knowledge Building:** Continuously enhancing the understanding of biodiversity conservation among stakeholders.

HUMAN CAPITAL

# Fostering Talent in an Inclusive Workplace

We recognise the pivotal role our employees play in our success and innovation. Keeping this in mind, we are committed to attracting and nurturing top talent in the industry. Our employment philosophy revolves around creating a supportive, dynamic, and inclusive workplace where everyone can flourish. We provide various opportunities for professional development, career advancement, and personal growth, ensuring our employees contribute to our collective goals and celebrate achievements together.

### Strategic Initiatives

- **Asset Creation and Capacity Expansion:** We are undertaking efforts for developing infrastructure and enlarging our operational capabilities to facilitate smoother global trade and connectivity.
- **Internal Connectivity and People-First Culture:** We are committed to adopting a people-first strategy and fostering an inclusive work culture that embraces diversity across geographies, gender, and age. This includes ensuring continuous engagement and commitment from our business leaders to build a motivated workforce.
- **Holistic Workforce Development:** By closely collaborating with our HR department and business leaders, we implement HR strategies that bolster internal connectivity, positioning us as a responsible employer of choice for professionals.

### Foundation for Achieving Our Vision

- **Capability Management:** Enhancing skills and competencies to meet evolving industry demands.
- **Capacity Building:** Scaling our operations to support growth and global reach.
- **HR Digitisation:** Leveraging technology to streamline HR processes and improve efficiency.
- **People Analytics:** Utilising data to inform decisions and foster a culture of continuous improvement and innovation.



### FY 2023-24 Key Highlights/Milestones

'Great Place to Work' 4<sup>th</sup> year in a row, underscoring our relentless efforts to foster a positive and inclusive work culture.

Implementation & adoption of Oracle 2.0, cornerstone for collective efforts to elevate employees' competencies and expertise, through SAKSHAM program.

### Materiality Topics Related to Human Capital

- **Diversity & Inclusion:** Women employees, Leadership positions, Board diversity, Diversity mix
- **Labour Management:** Employee productivity, Attrition rate, Gender ratio
- **Employee Development/Engagement:** Training man-days, Training per employee per year

### Capitals Impacted



### SDGs Linked



### Human Capitals KPIs

- Total employees: 2,919
- Women in total employees: 84
- New hires: 354
- Total Employee Turnover Rate: 15%
- Voluntarily Employee Turnover Rate: 10%
- Average hiring cost per employee: ₹ 2,01,071
- ₹ 2.3 crore spent on employee trainings and developments.
- Average amount spent per employee on training and development: ₹ 7,870
- Average hours of training per employee: 65
- FTE training: 8 mandays

### GRI Linkage

2-7, 2-8, 2-30, 202, 401, 402, 404, 405

### Diversity and Inclusion Goals

Attain 5% women in the workforce by 2025

### Human Capital Long-term Goals

- Building agility and versatility by inducting diverse and younger talent to fuel business growth
- Transforming APSEZ into a Talent Factory through integrated Talent Management practices to nurture successors and future-ready leaders in the next 3-5 years
- Developing global leaders to sustain organisation's Organic/In-organic growth across global landscape
- Driving sustained business growth through futuristic workforce models focusing on strengthening core competencies
- Reshaping HR with best-in-class practices to attract, retain and develop talent

### Human Capital Short-term Goals

- Upskilling workforce on digital dexterity to prepare for evolving business landscape
- Attuning Talent Mix of different demographic cohorts by leveraging their core competencies and strengths
- Enabling people performance through various Digital Transformation interventions
- Strengthening employer brand through strategic initiatives, emphasising company's vision, culture and commitment to employee well-being

**"As Talent is the cornerstone of our success, cultivating and nurturing talent is pivotal for business growth. Leveraging our philosophy of Growth from Within, we provide individuals challenging opportunities to grow, aspire and be limitless."**

– Head of Human Resources

Workforce: Age Group	
< 30 years	338
30-50 years	2,081
>50 years	500
Workforce: Gender	
Male employees	2,835
Female employees	84
Workforce: Management Level	
Top Management employees	15
Senior Management employees	123
Middle Management employees	595
Junior Management employees	1,792
Supervisory/Technician employees	394
Workforce: Nationality	
Indian	2,918
British	01

## Training & Development at APSEZ

APSEZ is committed to fostering a culture of continuous learning and development among its employees, ensuring they remain at the forefront of industry advancements and leadership excellence. Our comprehensive approach to talent development is designed to avoid obsolescence and prepare employees for future challenges and opportunities.

### Fostering a Culture of Learning

At the core of our employee development strategy is the Capability Building and Leadership Development framework, complemented by the Adani Behavioral Competency Framework. This dual framework ensures that talent development efforts are closely aligned with the Company's growth trajectory. We encourage knowledge sharing and mentorship, enabling seasoned professionals to pass on their wisdom to the next generation of leaders. This

practice not only enhances cross-functional knowledge but also grooms well-rounded leader's adept at navigating the complexities of today's business landscape. Risk management, soft skills and compliance training of executives is done through eVidyalaya – Percipio.

### Talent Development Programmes

APSEZ places premium on employee development to prevent obsolescence and redundancies. Our capability building and leadership development framework empowers our employees through challenging assignments and talent development opportunities. Our Adani Behavioral Competency Framework aligns talent development with growth to ensure competence-based progression opportunities for employees. Knowledge sharing and mentoring programs facilitate wisdom transfer, enriching cross-functional expertise and nurturing well-rounded business leaders.

The leaders at APSEZ focus on cultivating talent to cater to the evolving business needs, through a range of programs and practices spanning Talent Management, Learning & Development, Performance Management, Job Rotations, Leadership Development etc.

### Adani Accelerated Leadership Programme (AALP)

The AALP is our flagship leadership development initiative, targeting the cultivation of future leaders. Participants, selected from top-tier institutions, are onboarded to a structured programme that offers early career challenges and opportunities for a rewarding career path within APSEZ. Currently, 23 AALPs from esteemed institutions like ISB, IIM, XLRI, TISS, and SIBM are participating in the program focuses on critical areas such as strategy, business development,

and operations. Job rotation is a key component, ensuring exposure to all facets of the business.

### Knowledge Sharing & Mentoring Programme

Our Knowledge Sharing & Mentoring Programme is pivotal in facilitating effective knowledge transfer and broadening the business and functional understanding of our employees. Adhering to the 70:20:10 model of learning, the programme shapes & develops first time managers and functional managers into all-encompassing business leaders over 18-24 months. Each mentee is carefully matched with a senior mentor, fostering a leadership pipeline aligned with our organisational goals, 15 employees successfully completed the program in four batches. The high performing employees mentored are then placed at various enhanced roles with greater responsibilities as per the business needs.

### Leadership Transition Programme

The Leadership Transition Programme is tailored for high-performing senior managers, preparing them for CXOs roles within 2-3 years. Through formal assessments and targeted assignments, this programme aligns with individual growth aspirations, enhancing their readiness for operational and business leadership positions.

### Enhancing Career Visibility

To support our transparent career progression ethos, APSEZ utilises the Careers Within portal on SharePoint. This platform allows us to share internal vacancies organisation-wide, enabling employees to apply for roles that

match their career aspirations and contribute significantly to filling critical positions within the organisation. This transparent system enables employees to pursue roles aligning with their goals, leading to successful fulfilment of 49 by internal job postings.

### Digital Proficiency Programme:

Aimed at equipping our workforce with the digital skills necessary for today's tech-driven business environment. The first step toward embracing digital transformation requires adopting a mindset oriented towards its benefits. This entails understanding the role of digitised workflows, software, and technology in optimising efficiency and yielding positive outcomes for our employees and diverse business operations.

### Training for Non-Managers:

Ensuring that all employees, regardless of their roles, have access to learning opportunities that contribute to their personal and professional growth. Access to e-learning platform (eVidyalaya – Percipio) has facilitated employees to gain seamless learning from anywhere & anytime, fostering swift and convenient learning experience.

At APSEZ, we believe in investing in our people, understanding that their growth and development are integral to our success as an organisation. Through these comprehensive programmes and initiatives, we are dedicated to nurturing a workforce that is not only proficient in their current roles but also prepared for the leadership challenges of tomorrow.

### Training Man-Hours Overview

Age Group	Man-Hours
< 30 years	37,248
30-50 years	1,31,249
> 50 years	20,582

Gender	Man-Hours
Male Employees	1,82,226
Female Employees	6,853

Employee Management Level	Man-Hours
Top Management Employees	118
Senior Management Employees	2,904
Middle Management Employees	41,887
Junior Management Employees	1,42,464
Supervisory/Technician Employees	1,706

Type of Training	Man-Hours
Behaviour Training (FTE)	1,89,079
Safety Training (FTE + Contractors)	7,15,074
Technical Training (FTE + Contractors)	4,46,336

## Employee Development Programmes

### Case Study

#### EDGE Programme

Communities of Interest comprising, functionally aligned groups are constituted at every site/BU. Mutual and periodic knowledge sharing session is organised by the respective team members to discuss/ideate on identified topics pertaining to their work areas. The programme is driven by the HR SPoCs who coordinate with functional teams for the execution.

#### Business Benefits:

EDGE is a platform providing opportunity to upskill functional/business know-how via continuous departmental interactions.

#### Quantitative impact of business benefits:

- Participation in EDGE Mission has benefited employees by enhancing their functional/business knowledge, improving their articulation and presentation skills and exposing them to different perspectives.
- % of FTEs participating in the programme: 89.6%

### Case Study

#### North Star Programme

To develop the internal High Potential Talent, APSEZ has a unique programme which prepares the managers for the next role. This programme, spread over 10 months, runs in partnership with EMERITUS Institute of Management, Singapore, which is a consortium of three internationally reputed business schools: Columbia Business School, TUCK School of Business and MIT Sloan. It is designed to ensure proper engagement and learning of working professionals. 17 Awardees from APSEZ have graduated through this platform in during this year's NorthStar program. Overall, 4 year-long batches covering 123 employees have already been completed.

#### Business Benefits:

It is a multi-modular leadership & management development programme aimed to develop managerial competencies like dealing with ambiguity, accountability, proactive approach, decision-making and agility for mid-level managers.

#### Quantitative impact of business benefits:

- Participants expand their horizons forcing to stretch beyond their comfort zone to deliver, improve multitasking abilities, and enhance organisational skills.
- % of FTEs participating in the programme: 4.2%.

### Case Study

#### Parivartan Cadre Scheme

APSEZ's strategic focus on growth and expansion necessitates a robust internal talent pipeline. To address this, they've introduced the Parivartan Cadre Scheme. This programme aims to assimilate and develop lateral recruits at mid-level management. For FY 2023-24, 7 ex-Armed Forces recruits completed an elaborate 10-day Induction & Assimilation Program. These recruits, with 10-14 years of service in the Indian Armed Forces, bring exceptional problem-solving skills.

#### Business Benefits:

Parivartan focuses on transformative change management, preparing mid-level management to lead and adapt in times of significant organisational changes, fostering resilience and agility.

#### Quantitative impact of business benefits:

- Productivity of Parivartan participants enhanced company business with experience in the Indian Armed Forces, bring exceptional problem-solving skills, determination, and focus.
- % of FTEs participating in the programme: 0.24%

### Case Study

#### ICEBERG Programme

Iceberg is a three-tier intervention high intensity programme designed to address the talent requirement of the organisation through a continuous, systematic, structured, consistent, and long-term approach. It demands active involvement and ownership from the concerned executives responsible for the outcomes. The name "Iceberg" symbolises exploration, discovery, and development of latent abilities in identified individuals, moulding them into capable leaders prepared for higher responsibilities.

#### Phases of ICEBERG Intervention:

**Discovery:** Identifying talent using psychometric tools based on leadership dimensions and cultural alignment leveraging performance and feedback.

**Development Planning:** Customising individual leadership journeys based on assessments, feedback, and stakeholder discussions, with clear target roles and timelines.

**Leadership Journey:** Rigorous development with diverse learning interventions focusing on know-how, leadership attributes, and cultural mindset, driven by internal leaders.

#### Business Benefits:

**Talent Assurance:** Ensuring leadership continuity by investing in a ready pool of identified resources.

**Talent Identification and Expansion:** Engaging and expanding capabilities in the best interests of both individuals and the organisation.

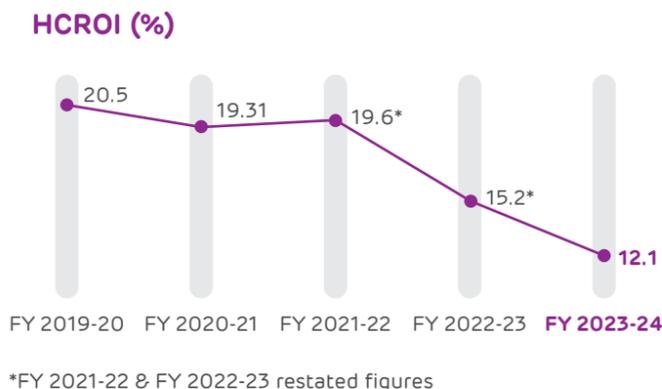
#### Quantitative impact of business benefits:

- Developing differentiated leadership talent across levels allows the organisation to be more agile and adaptable. These leaders can take up progressively higher roles, contributing to organisational growth and resilience.
- By engaging with this talent pool and expanding their capabilities, the organisation benefits from enhanced skills, improved performance, and higher engagement levels. These factors directly impact business outcomes.
- % of FTEs participating in the programme: 0.45%



## Human Capital Return on Investment

APSEZ tracks Human Capital Return on Investment (HCROI) to assess the effectiveness of its human capital development initiatives relative to overall HR-related investments. The HCROI calculation involves deducting all Company expenses (excluding employee-related costs and benefits) from the revenue generated by the Company. The result is then divided by the sum of employee-related expenses and welfare expenditures.



## Talent Attraction and Retention Strategy

In today's fast-paced and competitive business environment, the ability to effectively manage talent is paramount for success. At APSEZ, we place a high emphasis on attracting and retaining a diverse and skilled workforce, essential for driving our business growth and innovation. Our approach balances internal advancement opportunities with strategic external recruitment, particularly for management and leadership positions, ensuring a dynamic and capable team.

### Strategic Role of the Talent Council

The cornerstone of our talent management strategy is the Talent Council, a cross-functional team dedicated to refining our approach to talent acquisition and development. This council is instrumental in identifying, nurturing, and advancing high-potential employees within our organisation. By conducting

thorough talent assessments, the council aims to uncover individuals who not only possess exceptional skills but also demonstrate potential for growth and leadership.

A key initiative undertaken by the Talent Council was a collaboration session with Korn Ferry, attended by APSEZ's CEOs, COOs, and Head of HR. The focus of this session was to refine the framework of the Talent Council, ensuring its alignment with our strategic goals. The discussion centred on identifying top talent, recognising high-potential individuals, and pinpointing critical roles within our Ports and Logistics divisions.

**Talent Xpress:** This is an internal portal enabling seamless talent mobility across locations, functions, and operating businesses within APSEZ. Our HR leads upload profiles of ready-to-redeploy employees, accessible to all other locations. This transparent process fosters career growth through job rotation

and facilitates efficient talent mapping and redeployment.

**Hiring at APSEZ:** Acknowledging the dynamic nature of the ports and logistics industry, the Company adopts a strategic talent management approach to address challenges posed by technological advancements and changing customer demands and recruiting from diverse talent. A strategic emphasis is placed on talent development through day-to-day management practices, with business leaders taking ownership of nurturing talent in their respective areas. We focus on building a cadre of domain experts at every level, emphasising a strong bottom of the pyramid. This approach is crucial for attracting and retaining skilled professionals, aligning with the organisation's goals. We have government guidelines, as per the guidelines we deploy 90% of the workforce from local community.

New Hires: Age Group		FY 2023-24
< 30 years		179
30-50 years		160
> 50 years		15
New Hires: Gender		
Male employees		323
Female employees		31
New Hires: Management Level		
Top Management employees		01
Senior Management employees		20
Middle Management employees		69
Junior Management employees		264
Supervisory/Technician employees		00
New Hires: Region-wise		
North (Ladakh, J&K, HP, Punjab, Haryana, Delhi, Rajasthan)		31
Central (Uttarakhand, UP, MP, Chhattisgarh)		52
East (Sikkim, Bihar, Jharkhand, WB, Odisha)		84
West (Gujarat, Maharashtra)		132
South (Karnataka, Goa, AP, Telangana, Kerala, Tamil Nadu)		55
Northeastern (Seven Sisters)		00
Domicile Hires		
Domicile Hires (Gujarat) - Numbers		79
Percentage of Domicile Hiring		22.3
Position Filled with Internal Candidates		
Open Position filled by Internal Candidates		49
Percentage of position filled by Internal Candidates		12
Cost		
Average Hiring Cost per employee (in ₹)		2,01,071

**Talent Planning and Analytics:** People analytics has significantly enhanced APSEZ's ability to identify, attract, develop, and retain talent. Adoption of culture that encourages data-driven decision-making has enabled us to fulfil business demands and growth strategies in a diverse workforce. The relevant analysis done are:

- Measuring employee performance:** Our internal BI dashboards equipped with state-of-the-art analysis tools enable us to effectively monitor and measure various HR KPIs, including headcount, recruitment cost analysis, hire analysis, attrition, separation,

demographic and diversity analysis. These dashboards offer live interactive HR KPI monitoring.

- Strategic workforce planning:** People Analytics enabled us in optimising our workforce planning efforts, right from recruitment and talent acquisition to upskilling and talent mobility.
- Identifying current workforce skills gaps:** People analytics helps us identify skill gaps within APSEZ and provides us with data-driven insights to address areas where employees lack essential competencies.

- Recruiting & hiring:** People analytics is leveraged in recruitment analytics to track, manage, and analyse all the metrics pertaining to the hiring process. This includes sourcing, selection, and hiring procedures, as well as evaluating overall impact of new hires on retention and turnover.
- Recruiting diverse talent is crucial for organisations aiming to foster innovation, creativity, and an inclusive workplace. Strategies include crafting inclusive employer branding, sourcing from diverse talent pools. By prioritising diversity,

we promote fairness but also enhances business outcomes.

- **Identifying flight risks to improve retention:** By analysing relevant data, we can identify employees who are at risk of leaving and take proactive measures to retain them.
- **Organisational Network Analysis (ONA)** is a structured approach that visualises communication, information, and decision flows within an organisation. By understanding employee interactions and relationships, ONA finds its utility in several applications:
  - **Organisational Design:** During restructuring, ONA helps position employees where their impact will be most significant.
  - **Cultural Insights:** It sheds light on collaboration dynamics and cultural norms.
  - **Workforce Transformation:** ONA provides insights for talent development and succession planning.

**Strategic Workforce Planning (SWP):**

Strategic Workforce Planning (SWP) involves forecasting future workforce and requirements and ensuring timely availability of the right talent to accomplish organisational objectives. It prioritises focusing on long-term workforce strategies over short-term staffing decisions. The main objectives that SWP helped us focus on are:

**Embracing a data-driven approach:** We rely on people analytics to analyse workforce data, identify trends, and make informed decisions.

**Alignment with long-term goals & vision:** SWP takes a strategic, forward-looking perspective, as opposed to the traditional workforce planning, ensuring that our workforce planning and strategies align with the overall business goals.

**Scenario Planning:** SWP has made Scenario Planning possible as it gives us the leverage to explore various workforce related business

scenarios (e.g., growth, downsizing, technological changes) and enable us to plan accordingly.

During reorganisations, especially in the context of acquisitions, mergers, or expansions, a comprehensive HR integration plan is crucial. This plan focuses on several transition aspects, including harmonising employment terms, organisational structure, and staffing to align with the post-merger organisation. Additionally, detailed strategies are devised for cultural integration and communication, incorporating Adani Group processes. The goal is to assess industrial relations, enhance productivity, and optimise the workforce for a seamless transition. Regarding employment harmonisation: grade and compensation structures are addressed, ensuring alignment between the acquiring and acquired companies. Standard employment terms are communicated and accepted. Compensation packages are harmonised, covering both payroll and non-payroll elements. Organisational design and staffing plans define the post-integration structure, with assessments of key executives' capabilities driving role clarity through small group interactions.

**Succession Planning:**

Succession Planning applies to the company's most strategic and critical roles which are evaluated systematically within a well-defined framework. It covers all employees on roll at the O1 level and above. The execution of the Succession Planning process is ensured through a well-defined accountability framework. A clear and structured responsibility matrix governs the succession planning process and helps aligning it with the strategic

goals of the organisation embedding consistency and transparency in identifying and developing the future leaders. This matrix specifies the roles and responsibilities of the senior management and the human resources department.

After a thorough evaluation by the HR Head (Operating Unit/Corporate) & the COO/the CEO/Business Head, the criticality of the positions is classified into three broad categories, based on:

- a) Ability of the organisation to sustain its business operations and adverse effect it might face, resulting from such a vacancy,
- b) Ease of availability and quality of such resource/skills in the talent market, and

- c) Contribution to the topline/ bottom-line in terms of Gross Revenue, Net Profit and EBIDTA in absolute relative terms

These critical positions are identified on the basis of business strategies for next 5 years and undergo review every 2 years unless there are any significant changes.

**Initiatives Towards Succession Planning:**

**Takshashila** – This structured modular programme has been designed in collaboration with premier academic institutes such as the Indian School of Business along with the in-house partners. The programme focusses on honing the skills of employees at leadership

positions holding VP designations and above, through targeted assessments. In FY 2023-24, 10 employees were chosen under the programme to build on higher skills.

**Zenith** – The CEO of APSEZ has meticulously chosen leaders for upcoming leadership positions. These selected individuals will undergo in a six-month executive coaching programme, led by the senior leaders of the organisation. This programme is highly customised to target the specific growth areas aligning with distinct requirements and identified objectives.

**Diversity, Equity & Inclusion**

**APSEZ actively promotes workplace diversity through various initiatives. The Workplace Diversity, Equity, and Inclusion in Action programme includes Diversity, Equity, and Inclusion (DE&I) training, addressing training needs, and conducting sensitisation sessions for executives across Junior, Middle, and Senior Management Cadres. The management cadre is specifically targeted to harness the potential of a diverse workforce and foster inclusivity.**

We have implemented various mentoring programmes aimed at developing executives for leadership roles. Mentees are selected from diverse backgrounds, considering factors such as nationality, caste, creed, gender, age, religious beliefs, family status, perspectives, and ideologies. Critical and capable employees from diverse backgrounds are identified for mentoring and

career development, providing growth opportunities based on demonstrated contributions and potential. The mentoring engagement seeks to create an environment where employees from diverse backgrounds can be nurtured, mentored, and coached to emerge as leaders. APSEZ has a history of welcoming and assimilating employees for coaching and mentoring, irrespective

of differences in perspectives and ideologies, emphasising a commitment to diversity and inclusivity.

**We target to achieve a 5% women representation in our total workforce by 2025.**



### Female employees in each level

Share of women in total workforce (as % of total workforce)	3
All management positions, including junior, middle and top management (as % of total management positions)	3
Women in junior management positions, i.e. first level of management (as % of total junior management positions)	4
Women in top management positions	00
Women in management positions in revenue-generating functions as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	14.5
Women in STEM (Science, Technology, Engineering, and Mathematics) related positions (as % of total STEM positions)	2.7

### Programs for DE&I

**International Women's Day celebrations:** International Women's Day on March 8, 2024, was marked by a series of empowering events, including complimentary lunches for women and engaging live sessions with Dr Malay Mahadevia. These initiatives reflect a growing commitment to recognising and celebrate the achievements of women. Engagements like these not only honour the social, economic, cultural, and political advancements of women but also foster an environment of inclusion and dialogue.

**Saksham Program:** Our vision for our people is to make every Adanian Saksham, taking charge of their career and are equipped, educated, and empowered to explore their full potential. We aim to provide equitable and inclusive platform for their development through this programme.

### Social Responsibility and Sustainability Efforts at Adani

Adani Group's dedication to enriching communities embodies our commitment to social responsibility and sustainability. We actively encourage our employees to engage in voluntary programmes

aimed at enhancing the quality of life within local communities. This engagement is not only beneficial to the communities but also offers our employees invaluable opportunities for skill development, relationship building, and diversifying their work-life experiences.

### Employee Volunteering Guidelines

To streamline and promote employee involvement in social responsibility initiatives, Adani has instituted the "Guidelines on Employee Volunteering" policy. This comprehensive policy applies to all employees, providing a clear framework for volunteering. It ensures that volunteer efforts are

aligned with the community's needs while supporting the Company's broader commitment to societal improvement. Volunteer opportunities are communicated based on location, allowing employees to actively participate in and contribute to initiatives within their respective sites.

### Key Highlight of Employee Volunteering Programme (EVP)

A notable instance of our Employee Volunteering Programme (EVP) in action was observed during World Environment Day at our Vizhinjam site. Embracing the campaign #BeatPlasticPollution, the Vizhinjam team, led by 5 group leaders, demonstrated exceptional commitment and teamwork. Approximately, 65 employees participated in the plastic collection drive, showcasing Adani's dedication to environmental stewardship.

In just two hours, the team successfully collected around 428 kilograms of plastic waste. This included a significant 128 kilograms from offshore locations, highlighting the wide-reaching impact of our volunteer efforts on both land and sea.



▲ Training session

## Rewards and Recognition

At APSEZ, recognising and rewarding exceptional performance is pivotal to fostering a culture of excellence and motivation. Our robust Performance Management System is meticulously designed to align individual achievements with our overarching goals, celebrating those who demonstrate outstanding dedication and performance.

### Comprehensive Performance Evaluation

To ensure a fair and transparent assessment of performance, APSEZ conducts bi-annual performance evaluation through a multi-tiered review process. This involves direct feedback from reporting managers as well as oversight from higher departmental authorities, guaranteeing a comprehensive evaluation of each employee's contributions. Our evaluation system employs a four-tier rating scale, categorising employees as top, strong, good, or low performers. This is essential for identifying and rewarding excellence, while also providing clear pathways for improvement and growth. Employee performance appraisal systems also incorporate compliance with codes of conduct. Any breach of the code of conduct is considered unsuitable for appraisal.

### Rigorous Evaluation for Promotion

Promotions at APSEZ are handled with utmost transparency and fairness to ensure employee trust and loyalty. Candidates

for advancement undergo a variety of assessments tailored to their specific roles, including psychometric testing, situational judgement evaluations, case studies, behavioural event interviews, and role-playing exercises. The integrity of our promotion process is further assured through third-party audits, aimed at optimising Organisational Citizenship Behaviour and enhancing productivity. Decisions on promotions are based on a thorough review of appraisal outcomes, taking into account individual performance scores, the requirements of the position, and the availability of vacancies.

### Personalised Feedback Mechanism

Following the appraisal, APSEZ conducts a constructive feedback session for each employee. These sessions aim to evaluate the details of the appraisal reports and foster an open dialogue regarding individual performance metrics and future aspirations. This approach not only clarifies expectations but also strengthens the employee-manager relationship, pivotal for continuous improvement and career development.

### Long-Term Service Award:

The programme offers us an opportunity to express gratitude & recognise the employees for their long-term commitment, dedication and valuable service to the organisation over a period of 10 years, 15 years, 20 years, or

more. The Long Service Award is a way for APSEZ to acknowledge and celebrate their loyalty and contribution towards the company over an extended period.

### Long-Term Incentives for Employees

The Company implements a "Retention Bonus" programme for key employees across various business functions and levels. These long-term incentives are specifically designed for employees with over 3 years of experience within the organisation. The Company rewards its employees based on both business performance and sustainability goals like carbon neutrality by 2025 and achieving net zero by 2040.

### Xceed Quarterly Reward Programme

To incentivise outstanding achievements promptly, APSEZ has instituted the Xceed Quarterly Reward Programme. This initiative is designed to acknowledge employees who exceed their Key Result Areas (KRAs) with immediate rewards, thereby encouraging continuous engagement and contributing to both personal growth and the achievement of organisational objectives. The Xceed programme emphasises collaborative goal setting between employees and their managers at the beginning of each quarter, linking rewards directly to both individual and organisational performance metrics. With a focus

on real-time performance analysis, APSEZ is committed to maximising human potential and adapting strategies to meet evolving business needs and employee expectations.

**Frequency:** Our quarterly appraisal process, facilitated through Xceed, encompasses our performance appraisal system and incentives.

### Types of Performance Appraisal at APSEZ

- Management by objectives (MBO):** This collaborative performance management process involves setting specific goals through manager-employee partnerships. It encourages participation and aligns objectives across the organisation. Annual strategic planning sets organisational priorities, cascading down as measurable KPIs and projects to various units. This structured cascade links efforts to business imperatives, measuring outcomes against plans, and clarifies individual roles in achieving team and organisational objectives.
- Multi-dimensional performance appraisal (360-degree feedback):** APSEZ has incorporated a 360-degree review system which involves an evaluation process that includes feedback from multiple sources, offering a comprehensive view of an employee's performance. The feedback covers various aspects, such as job-specific skills, communication, leadership, teamwork, and interpersonal skills. This method is aimed at providing a more holistic assessment, fostering individual development, and contributing to overall improvement.

Performance Appraisal for FY 2023-24: Gender	
Male employees	2,856
Female employees	82
Performance Appraisal for FY 2023-24: Management Level	
Top Management employees	12
Senior Management employees	64
Middle Management employees	667
Junior Management employees	1,829
Supervisory/Technician employees	366

- Team-Based Performance Appraisal:** APSEZ depends on collaborative teams to achieve objectives. We assess employees based on their contributions and collaborative behaviours within the team. Team performance evaluation gauges the impact of teamwork on overall organisational performance.
- Agile Conversations:** Performance review discussions, integral to performance management, extend beyond annual assessments. Mid-year reviews facilitate performance dialogues, enabling employees to address knowledge gaps and reassess goals. Managers discuss Key Result Areas (KRAs), prioritise support over evaluation, and share their feedback. The immediate reporting officer aids employees in target achievement and performance assessment.
- Performance Appraisal Frequency:** The performance of the employees assessed twice a year.

### Performance-Linked Compensation and Equal Pay

APSEZ champions a culture of meritocracy, where employee achievements are recognised and rewarded through a structured, performance-linked compensation framework. This framework is designed to motivate employees across all management levels, fostering a high-performance environment that aligns with the Company's strategic goals.

### Performance-Linked Compensation Structure

The compensation structure at APSEZ is tiered according to employee grades, with a significant portion of the Total Cost to Company (CTC) allocated as performance-based incentives:

- O1 to E1 Grades:** Employees within these grades have a performance-based incentive comprising 10% of their CTC.

'Anytime Anyone Feedback' allows individuals to seek feedback about themselves or provide feedback about another employee across the organisation. As the volume of feedback grows, it offers managers and employees valuable insights into their work from those they collaborate with closely.

- E2 to E4 Grades:** For these employees, the performance-based incentive increases to 15% of their CTC.
- GM and Above:** Performance pay for employees at or above the General Manager level is determined by both organisational and individual performance metrics, including contributions towards Environmental, Social, and Governance (ESG) objectives.

Performance evaluations are conducted using a 4-point scale within the Performance Management System, ensuring that compensation reflects the individual's contributions accurately. For senior positions, the performance pay structure incorporates qualitative adjustments based on ESG performance and safety considerations, emphasising APSEZ's commitment to sustainable business practices.

The Performance Pay is calculated by combining:

- Individual Performance (70%):** This includes individual goals, ESG performance.
- Organisation Performance (30%):** This is measured by business goals and financial performance, with a weightage of 50% on revenue, 25% on EBITDA, and 25% on Return on Capital Employed (RoCE).

### ESG-Linked Performance

APSEZ aligns executive compensation with environmental, social, and governance (ESG) performance. This strategic linkage emphasises sustainable business practices and workplace safety. Metrics include compliance with the Code of Conduct, Human Rights, Financial and Operational targets, Risk Management, IT, Cyber security, and Customer satisfaction. By integrating ESG factors, APSEZ

reinforces its commitment to responsible business conduct and stakeholder well-being.

### Commitment to Equal Pay

APSEZ is dedicated to maintaining an equal-opportunity workplace, applying uniform performance evaluation and compensation criteria across all employees, regardless of gender. The Company adheres to a strict policy of equal pay for equal work, conducting periodic reviews of its compensation structure to ensure alignment with the goal of gender pay equity. The remuneration of the Executive Directors including CEO is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, Tobin's Q, responsibilities shouldered, performance/track record.

Wages (Management position-wise) - in Lakhs	FY 2023-24		
	Executive level	Management level	Non-Management level
Average Male (base salary)	141.52	12.1	7
Average Female (base salary)	NA	9.8	3.51
Average Male (base salary + other cash incentives)	201.7	13.34	7
Average Female (base salary + other cash incentives)	NA	10.78	3.51

Note: We conduct external parity and internal equity check and follow the market trend. Third Party assessment of employees' wages have been carried out as part of BRSR assurance process FY24

Executive includes: Top Management Cadre

Management includes: Junior, Middle and Senior Management Cadre

Non-Management includes Supervisory Cadre

## Employee Support Programmes

APSEZ has developed best-in-class benefits and wellness programmes to help the workforce deal with work pressure, support family, and enjoy their leisure time. During the crisis (pandemic), we encouraged our people to take care of their health and wellbeing. We supported our people and their families through the following initiatives:

### Workplace Stress Management:

APSEZ prioritises workplace stress management as a key element of their holistic well-being approach. The Company implements a multifaceted strategy incorporating physical, emotional, and spiritual care, safety measures, diversity and inclusivity initiatives, and self-sustenance programmes. This relates to both work and non-work-related stress. Notably, we emphasise the importance of leadership commitment to fostering a culture of wellness and have designed a **Curated Individual Wellness Journey programme** for senior leadership. This four-month intervention includes touchpoints like pulse diagnosis, wellness coaching, nutrition sessions, and meditation programmes.

### APEX Programmes (Achieving Personal Excellence):

We offer wellness support to the employees who are alumni of this programme. The support is extended through Sunday reconnects/refreshers sessions of 1.5 hours focusing on multiple wellness themes such as Desktop Yoga, Lymph Drainage Yoga, Sleep Yoga amongst many others. Around 2000+ employees are alumni of this programme and have benefited from this programme till date.

### Emotional Wellness Programme:

As part of Adani Cares, we offer free professional support to our employees anywhere and anytime. This includes offering confidential counselling services 24/7/365 in association with ICAS, on a broad range of topics covering Relationships, Family Matters, Illness/Loss of a loved one, Work-Life Balance, Stress/Anxiety/Depression, Parenting Guidance, etc.

### Emotional Intelligence (EI) Program:

This program focuses on cultivating self-awareness, self-management, social awareness, and relationship management for the Campus Cadre GETs, PGETs. Participants gain valuable insights in recognising and regulating their emotions, fostering empathy, and building positive relationships. Effective leadership skills, rooted in emotional intelligence, create a harmonious and productive work environment.

### Sports & Health Initiatives:

APSEZ focuses on the well-being of its workforce, recognising the pivotal role of a positive and motivated mindset in boosting productivity. The commitment to employee health is exemplified through sports and health initiatives, including physical activity facilities and virtual exercise/yoga classes available to all employees. Health talks were organised on "Mensural Hygiene Day 2023" and a Health webinar was organised on "Common Musculoskeletal Pain and its Management". Recognising the significance of fostering team spirit and camaraderie among employees, APSEZ Dredging organised a thrilling Box Cricket Event, setting the stage for an extraordinary day of excitement, collaboration, and friendly competition.

**Walkathon:** As part of Employee Wellbeing, APSEZ has launched a Walkathon at Mundra Port to boost employee engagement and promote overall health and fitness.

### Flexible working hours/Work from home:

We understand the need for maintaining a healthy work-life balance and have therefore set a 48-hour work week limit for its offices across India. The company has implemented a specific policy allowing flexible working hours for employees to accommodate their evolving needs and prioritising the wellbeing of its employees. The Working Hours Guidelines also covers the work from home facilities.

### Medical:

The Company ensures comprehensive first-aid and health emergency management through dedicated health facilities, staffed by qualified medical practitioners, at both corporate and site offices for permanent and contractual employees. Healthcare amenities, including hospitals, health centres, and daycare centres, are tailored to the size of the facility or business unit. Mandatory health check-ups are facilitated at regular intervals for all employees. APSEZ provides coverage for all employees under the Adani Group Mediclaim Policy, extending benefits to the employees, spouses, and two dependent children for medical treatment or reimbursement, with provisions of adding parents. Additionally, the critical illness policy covers the parents of employees, offering support and financial assistance in the event of critical illnesses.

### Childcare facilities or contributions:

APSEZ has in place the Employees Children Education Scholarship Policy and Employee Children Education Loan Interest Subsidy Policy. This helps create a bright future for employees' children.

### Welfare facilities:

APSEZ has provisions under the following employee welfare policies/plans as applicable – Retirement Benefit Plan, Loan Policy, Housing Loan Interest Subsidy Policy, Telecom Policy, and Marriage Gift Policy. Furthermore, in the case of the demise of an employee, there is a Death Benevolent Fund (DBF) to provide financial assistance to the family of the deceased. All employees are covered under the APSEZ retirement benefit plan. All employees can access these policy documents from the internal Adani portal.

### Paid Parental Leaves & Creche facilities:

We offer a paid parental leave policy, with paternity leave granted for 6 days according to Company guidelines, while maternity leave aligns with Indian regulations, providing 26 weeks. Our sites also have creche & lactation facilities.

Benefits	Male	Female
Total number of employees who were entitled to parental leave	2,835	84
Total number of employees that took parental leave	90	1
Total number of employees who returned to work in the reporting period after parental leave ended	90	1
Total number of employees who returned to work after parental leave ended and were still employed 12 months after their return to work	90	1

### Employee Turnover Rate

Workforce Turnovers: Indian Nationality	Total Numbers
North (Ladakh, J&K, HP, Punjab, Haryana, Delhi, Rajasthan)	51
Central (Uttarakhand, UP, MP, Chhattisgarh)	45
East (Sikkim, Bihar, Jharkhand, WB, Odisha)	52
West (Gujarat, Maharashtra)	186
South (Karnataka, Goa, AP, Telangana, Kerala, Tamil Nadu)	110
Northeastern (Seven Sisters)	3
<b>Total</b>	<b>447</b>

## Freedom of Association

APSEZ values employees' freedom of expression, safeguarding their rights to form and join trade unions, negotiate, and participate in collective bargaining as per law. The commitment includes respecting workers' rights to union without fear of intimidation or retaliation. Subjects covered under the agreement include health and safety, CSR initiatives, fair remuneration, reasonable working hours, skill development, career progression, work time flexibility, lifelong learning, stress management, and equal opportunities. By fostering collaboration and aligning with company goals, APSEZ ensures a positive and inclusive work environment for its employees. 6.3% of employees are covered by collective bargaining agreements.

Workforce Turnover: Age Group	Involuntary	Voluntary
< 30 years	14	57
30-50 years	49	227
>50 years	84	16
Workforce Turnover: Gender		
Male employees	142	286
Female employees	5	14
Workforce Turnover: Management Level		
Top Management employees	1	2
Senior Management employees	23	5
Middle Management employees	42	61
Junior Management employees	70	226
Supervisory/Technician employees	11	6

### Trend of Employee Wellbeing:

We conducted periodic Gallup assessment surveys to gain our people's perspectives. The survey results are analysed for 15 attributes to create a structure for interactions with employees such as casual conversations, meeting agendas, performance evaluations and team goal setting.

In FY 2023-24, Percentage of employees who responded to the survey 68%

Assessment Score of 7.9 versus the target for 8.4 in FY 2023-24

Employee Survey	Unit	FY23	FY24
Employee Net Promoter Score	10-scale	8.2	7.9
Total employees covered	%	100	100
Survey Aspects			
Job Satisfaction	5-scale	4.1	4.25
Happiness	5-scale	4.14	4.0
Purpose	5-scale	4.15	4.0
Stress	5-scale	4.14	4.0

In the fiscal year 2023-24, three recently acquired companies – Ocean Sparkle Ltd., Karaikal Port, and Tumb ICD – were also included in this survey. Their inclusion has led to a decrease in the employee's net promoter score for FY24.

HUMAN RIGHTS

# Upholding Human Rights

APSEZ upholds the Adani Group's vision of "Growth with Goodness", prioritising human rights across our value chain. We actively work to improve living standards where we operate, recognising that human rights are vital to our business sustainability.

We recognise the potential risks, any involvement in human rights abuses could severely impact our reputation and financial stability. Compliance issues may result in penalties and operational disruptions. Therefore, prioritising the well-being and fair working conditions of our employees & value chains is paramount.

APSEZ remains steadfast in upholding a respectful and secure work environment, understanding that safeguarding our workforce's rights is fundamental to our operational integrity and reputation. We are deeply committed to ethical business conduct and strive to make a positive impact on society.

## Key Highlights

### Stakeholder Engagement on Human Rights

**58%**  
of our employees participated in Human Rights Survey

**41%**  
of our suppliers were assessed

### Customer Support for Human Rights

**73%**  
of our assessed customer supported human rights protection as per desktop survey.

### Employee Training

**78%**  
of our employees were trained on Human Right Issues (POSH, Wellness, Health & Safety & DEI).

### New Initiative on Grievance Mechanism

Introduced **"Web-based Grievance"** for enhanced accessibility and effectiveness.

## Materiality Topics Related to Human Capital

- Human Rights
- Labour Management

## Capitals Impacted



## GRI Linkage

406, 407, 408, 409 & 410

## SDGs Linked



# Our Commitment to Human Rights

The Adani Group steadfastly upholds human rights across all its operations, guided by our comprehensive Human Rights Policy and Guidelines. These documents function as an ethical framework, directing our employees and businesses in maintaining the highest standards of integrity and ethical conduct, particularly in our interactions with both internal and external stakeholders. Our commitment extends beyond achieving business goals to include the safeguarding of human rights throughout our operations.

The Group's Human Rights Policy provides detailed instructions for Adani Group employees, ensuring that these principles are integral to the practices of all APSEZ employees. Moreover, our Human Rights Guidelines are shaped in alignment with the United Nations Guiding Principles on Business and Human Rights, along with the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. This alignment underscores our dedication to upholding human rights across our entire workforce,

stakeholder base, and value chains, reinforcing our commitment to ethical business practices and respect for human dignity.

We are committed to respecting the rights and cultural heritage of Indigenous peoples. Till date, our business operations have not affected any Indigenous communities, and no indigenous communities have been identified in our operational areas.

Our Human Rights Policy is available on our website and can be accessed from here.

# Human Rights Policy and Guidance

## Human Rights Strategy Overview

At APSEZ, we are committed to respecting human rights throughout our operations and across our entire value chain. Our commitment is to ensure compliance with both local and international laws, alongside our internal human rights policies. Whenever non-compliance is identified, our priority is to address

and mitigate/provide remedy to the situation promptly.

We not only align ourselves with these high standards but also encourage our suppliers and expect our business partners to adopt similar human rights policies. Our human rights strategy aligns with the United Nations (UN) Guiding Principles on Business and Human Rights, focusing on key areas.

- Embedding Human Rights Policies:** Integrating human rights principles into our business operations to ensure they are a fundamental part of our corporate culture.
- Due Diligence Processes:** Conducting thorough due diligence to identify, prevent, mitigate, and account for the human rights impacts of our business operations and supply chain.



- **Remedial Actions:** Offering appropriate remediation for any human rights violations linked to our business activities.
- **Transparent Communication:** Ensuring open and transparent communication with our stakeholders regarding our human rights processes and actions.
- **Stakeholder Engagement:** Maintaining constructive engagement with employees, suppliers, local communities, governments, NGOs, and other relevant stakeholders to uphold and promote human rights standards.

**Monitoring of Human Rights Policy Effectiveness**

**Finding information from existing process:** Information from existing grievance mechanism, employee survey, internal audit, etc.

**Monitor Human Rights indicators:** Percentage of workforce trained on the human rights, numbers of complaints, findings, regarding violations of human rights policy and number of human rights impact assessments conducted. Targets and progress towards it is provided in Materiality section.

**Fact-finding by Risk Management Committee:** Committee ensures that any reported human rights issues/complaints are thoroughly examined and addressed.

**Prevention & Corrections:** Implement preventive measures to avoid human rights violations and corrective actions should be taken promptly if violations occur.

**Review:** Adjust processes as needed to enhance human rights protection and compliance.

**Safeguarding Human Rights**

The implementation of the Adani Group's comprehensive Human Rights Policy is foundational to our commitment to safeguarding essential human rights. APSEZ's specific Human Rights Guidelines align with global standards, ensuring that human rights protection is deeply embedded in our operations. Employees at APSEZ conduct business with a dual focus, aligning with strategic objectives while upholding core human rights principles. Safeguarding human rights is integral to APSEZ's corporate ethos, reflecting our strong dedication to ethical, responsible, and sustainable business practices.

**Human Rights Due Diligence**

**Alignment & Scope:** Our comprehensive Human Rights due diligence process undertake to identify, prevent, mitigate, and respond to any potential impacts on human rights within our business activities. The due diligence process identifies & assesses human rights related risks across own operations, value chain operations and new partnerships such as mergers, acquisitions, and joint ventures. The due diligence process covers our workers, suppliers, consumers, and communities.

**Coverage Areas:** Human Rights due diligence carried out prior to mergers and acquisitions covers multiple attributes regarding country's reputation and ongoing controversy pertaining human rights such as child labour/forced labour/bonded labour, diversity, human trafficking, wages, sexual exploitation, racial/gender discrimination collective bargaining, freedom of associations, etc.

**Governance:** The Corporate Responsibility Committee, Corporate Social Responsibility Committee,

and Stakeholders' Relationship Committee are responsible to oversee the integration of policy commitment and ensure the alignment of material ESG aspects, including human rights, with the business strategy.

**Risk Management:** We have implemented a systematic risk management process for effective management of the risks. Our Enterprise Risk Management (ERM) framework integrates both top-down and bottom-up approaches. In the bottom-up

approach, employees identify risks based on their circle of competence, while the senior management develops risk mitigation/prevention strategies with approval from the Board. The functional teams at the site level implement mitigation measures under the oversight from the corporate team. We do a systematic periodic review of the risk mapping of potential issues.

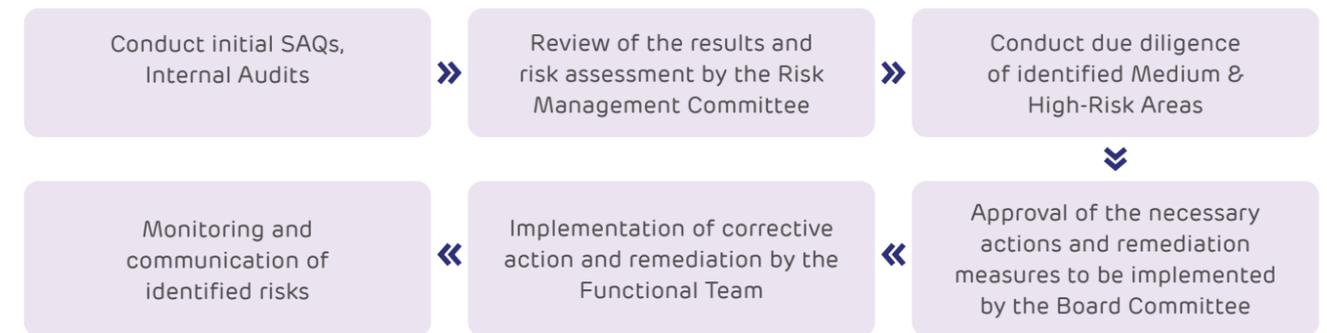
**Risk Mitigation & Prevention:** Our Risk Management Committee identifies potential issues and adapts our due diligence approach to each incident based on the type of enquiry. In case of non-compliance, we ensure resolving any violation by devising appropriate remedies and engaging

with suppliers to implement required corrective actions. We further strengthen our internal due diligence efforts, by utilising Self-Assessment Questionnaires (SAQs) to assess human rights risks in a quantitative process.

**Heightened Due Diligence:** We conduct Heightened Due Diligence in situations of conflict and emerging human right issues for the community. We have established a defined process to conduct Heightened Due Diligence as business does not take a side in the conflict, therefore its activities will necessarily influence conflict dynamics.

**Continuous Enhancement:** The process of assessing Human Rights Risk extends beyond the structural, regulatory, and financial requirement-related assessments. We are broadening our assessment procedures for our daily operations through various initiatives to evaluate unspoken Human Rights risks. We have implemented a security check-in process at all our operational sites to identify human rights risks associated with child and forced labour. Also, we have implemented a persistent procedure to recognise and alleviate factors that suppress human rights concerns such as harassment, occupational safety, community health, safety and security, and the rights of employees and workers at all our operational locations.

**Due Diligence for our Human Rights Risk Assessments**



We conducted the Self-Assessment Questionnaires (SAQs) for employees, suppliers, customers and the community. All the employees of APSEZ were reached out with the Self-Assessment Questionnaires survey to identify human rights risks. Nearly 58% of the employees participated in the survey.

Human Rights Risk Assessment	% of Sites subjected to human rights reviews or human rights impact assessments	Total assessed sites where risks have been identified (%)	% of the risk with mitigation actions taken
Own Operations	100%	4.2%*	100%
Contractors & Tier 1 Suppliers	41%	1.3%	100%
Joint Ventures	100%	00%	00%

\* The identified (4.2%) corresponds to the newly acquired sites such as Karaikal Port and Tumb ICD, the Group culture, values, principles and best practices on safety, workers' wellbeing, good working condition and protection of workers' rights are being implemented in a progressive manner to mitigate any risk of violations of human rights. We have implemented robust due-diligence process and put in place systems and procedures to identify, address and report any issues as early as possible.

## Ethical Practices in Supply Chain

Our focus is on "Value Chain Sustainability", and we are strengthening our relationships with our suppliers by collaborating and co-creating value. We use a yearly assessment process to examine our suppliers thoroughly and deal with "Human Rights in supply chains", where we may have the potential human rights issue. We have also improved our performance on human rights, following the APSEZ's Supplier's Code of Conduct and the legal frameworks for mitigating human rights abuses in supply chains.

### Alignment with APSEZ's Supplier Code of Conduct:

We collaborate closely with our suppliers to ensure adherence to our Supplier Code of Conduct. This code articulates our expectations regarding ethical behaviour, human rights, environmental responsibility, and overall sustainable business practices.

### Risk Analysis of the Supply Base:

A comprehensive analysis of human rights risks associated with our supply base is undertaken. This proactive identification allows us to prioritise efforts and allocate resources efficiently to areas with higher risks.

### Auditing High-Risk Facilities:

Facilities within our supply base that pose a higher risk of substandard working conditions or other potential human rights risks undergo regular audits.

This helps in verifying compliance, identifying areas for improvement, and ensuring corrective actions are implemented promptly.

### Capacity-Building Through Training:

We conduct training sessions to enhance the capacity of both our suppliers and internal employees. These initiatives aim to improve working and environmental conditions in the supply chain. By fostering awareness and best practices, we contribute to a culture of continuous improvement.

### Collaboration in Multi-Stakeholder Initiatives:

Recognising the collective responsibility in promoting ethical practices, we actively participate in multi-stakeholder initiatives. We contribute to the development of tools and training programmes that support continual improvement throughout the global supply chain.



## Salient Human Rights Risks

We have identified the following human rights issues as priorities to be addressed across our value chains.

Identified Human Rights Issues	Description	Likelihood of impact across the value chain	Policies to address the impact	Mitigation Measures
<b>Fair Wages</b> (ILO Convention)	A wage level covering workers' and their families' basic needs and providing some discretionary income.	Primarily in supply chains. Vulnerable groups are found in low skilled, labour-intensive segments as well as linked to part-time work and outsourcing.	Supplier Code of Conduct Human Rights Guidelines	Before suppliers' onboarding process, we make sure they comply with all applicable laws and regulations for minimum wages. APSEZ remunerations adhere to the Government of India, Minimum Wages Act, 1948 and Wage Act 2019. We monitor our entire compensation structure to ensure that all employees are paid appropriately.
<b>Health &amp; Safety</b> (ILO Convention)	Health, safety and wellbeing of employees, workers and customers across the value chain, such as working conditions, store safety, product safety, chemical safety, hazardous waste safety, natural hazards and pandemics.	Own operations, local communities, and value chains. The Covid-19 pandemic required extra attention to health and safety.	Occupational Health and Safety Policy	Access to quality healthcare is a fundamental right of every individual. Adani Foundation relentlessly works to provide access to quality health facilities at the doorstep of community households and create a healthier society. The Company has robust systems and processes for occupational health and safety. We conduct an internal audit to check the working environment of the operating sites. We provide health & safety trainings to the workforce related to their functional areas.
<b>Forced &amp; Child Labour</b> (ILO Convention)	All work or service that is exacted from any person under the threat of a penalty or for which the person has not offered himself or herself voluntarily. When workers are denied their basic human rights to maximise profits. Indicators of forced labour include unreasonable fees leading to debt bondage, deception, restriction of movement, isolation, abuse of vulnerability, intimidation and threats, abusive living and working conditions, wage withholding, excessive overtime, and retention of personal documents.	Communities and supply chains, like in manufacturing, warehouse operations, transportation, construction, and upstream material. Vulnerable groups most likely are migrant workers, agency workers, third party employees, temporary workers and self-employed, women and childrens.	Supplier Code of Conduct Human Rights Guidelines	Our assessment is designed to ensure that potential issues of forced labour are captured and brought to our attention. Our suppliers are expected to embed following system: <ul style="list-style-type: none"> <li>▪ A responsible Recruitment procedure</li> <li>▪ Due diligence and screening process</li> <li>▪ Clear contract with agencies</li> <li>▪ Training for management and workers</li> <li>▪ Grievance mechanism</li> <li>▪ Background verification</li> <li>▪ Mandatory government issued ID proofs</li> </ul> Communities are given awareness programme and make aware of government schemes, so that they don't fall in debt cycle and do forced labour.

Identified Human Rights Issues	Description	Likelihood of impact across the value chain	Policies to address the impact	Mitigation Measures
<b>Discrimination &amp; Harassment</b> (ILO Convention)	Discrimination; unfair or humiliating treatment on the grounds of gender, sexual orientation, race, colour, age, pregnancy, marital or social status, religion, political opinion, nationality, ethnic origin, disease or disability. Gender-based violence and harassment relates to violence and harassment directed at persons because of their sex or gender or affecting persons of a particular sex or gender disproportionately and includes sexual harassment	Own operations and value chains. Unconscious bias or discrimination ingrained in the work culture or discriminatory conducts of individuals. Vulnerable groups include women, local communities, migrant workers, LGBTQI and minority groups.	Code of Conduct Supplier Code of Conduct Human Rights Guidelines Diversity, Equality & Inclusion policy Prevention of Sexual Harassment (POSH) policy	Provided training to all the employees for awareness on diversity of workforce and work-related harassment, and discrimination.  We have Grievance Mechanism System that provides a transparent mode to obtain resolution on any human rights grievances.  Suppliers are audited for their policy commitment and systems and processes for prevention of harassment and discrimination.

### APSEZ's Comprehensive Approach to Mitigating Human Rights Risks

APSEZ upholds an unwavering commitment to mitigate human rights abuses across its operations and value chains. Our robust measures focus on proactive prevention and adherence to ethical standards:

Human rights risks were identified at 2 sites where the potential issues have been effectively diminished and mitigative actions have been taken as per mitigation plan. These two sites (Karaikal Port and Tumb ICD) have mitigation action plans in place. The organisation's culture, values, principles, and best practices concerning safety, employee welfare, favourable working conditions, and safeguarding workers' rights are being ingrained to minimise any possibility of human rights infringements.

### Internal Audit with ESG metrics

APSEZ has in place a comprehensive management audit and assurance programme. It ensures compliance with Environmental, Social, and Governance (ESG) control processes and performance metrics. A team of qualified professionals with expertise in accounting, engineering, and SAP leads these audits. Regular safety audits, as per the Factories Act, maintain a safe and healthy work environment.

### Stakeholders Training on Human Rights Protection

A comprehensive training and awareness programme covers employees, suppliers, customers, communities, and workers on various crucial aspects:

- **Induction Training:** New joiners receive training during the induction process to instil a culture of human rights consciousness and human rights protection.
- As part of our commitment to human rights and responsible business practices, we ensure that our security personnel receive formal training in our organisation's human rights

policies and specific procedures. This training equips them with the necessary knowledge to apply these policies effectively in their security roles. Additionally, we extend these training requirements to third-party organisations providing security personnel, ensuring consistency across our security operations.

- **Periodic Awareness Surveys:** Conducted for all employees, these surveys aim to align daily operations with human rights frameworks. Employees are encouraged to report actual or suspected violations without fear of reprisal or discrimination.
- **Notice Board Publication:** Human Rights Guidelines are prominently displayed on notice boards at each operating port location to enhance awareness among the workforces.
- **Mandatory Training:** Employees across business locations undergo mandatory training on Human Rights, Prevention of Sexual Harassment (POSH), and the Code of Conduct.
- **Acknowledgement Records:** All employees are guided to record their acknowledgement of understanding and adherence to the established guidelines.

Training hours and number of employees trained on Human Rights Issues (POSH, Wellness, Health & Safety & DEI)

	Number of Employees	Man Hours
Senior Management	95	229
Middle Management	479	1,510
Junior Management	1,699	6,090

### Active Engagement with Stakeholders

APSEZ actively engages with diverse stakeholders to align its human rights guidelines with various sustainability frameworks. Customised questionnaires comprehensively identify stakeholder concerns and priorities,

forming the basis of consultative processes on environmental, social, and governance issues. Personnel and management involvement in addressing queries and grievances is vital.

Following industry-leading standards, APSEZ incorporates structured practices in stakeholder engagement, enhancing

transparency and accountability. This approach meets criteria set by recognised sustainability standards, ensuring standardised and comprehensive information disclosure.

Human rights issues are a priority for APSEZ, with dedicated Self-Assessment Questionnaires (SAQs) gauging stakeholder perspectives on human rights performance. Insights from these assessments inform the identification and mitigation of potential human rights risks. APSEZ proactively addresses grievances or concerns raised by stakeholders through well-defined processes.

## Discrimination and Harassment

APSEZ is committed to upholding the rights of all employees and associates to express themselves freely in a workplace that is devoid of discrimination or harassment, including sexual & non-sexual harassment and exploitation. The Company fosters a safe and inclusive work culture, implementing a zero-tolerance policy aligned with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, applicable to all employees. Corrective or disciplinary action taken in case of discriminatory behaviour or harassment.

Employees experiencing discomfort can report to their line manager, the group monitoring committee (GMC), or the respective Internal Complaints Committee (ICC) for each region or location. The Committee conducts investigations

and takes disciplinary action, including termination, for guilty individuals.

To cultivate awareness, APSEZ conducts regular workshops, group meetings, online training sessions, and awareness programmes on preventing sexual & non-sexual harassment. All employees undergo training on discrimination and harassment as part of the Code of Conduct.

### Key Functions of GMC

The Group Monitoring Committee (GMC), consisting of key stakeholders such as the Site Head, HR Head, HSE Head, Head of Security, Head of Corporate Affairs, and employee representatives, plays a vital role in overseeing policy implementation. Each site's Grievance Redressal Committee (GRC), a subset of the GMC, consisting key stakeholders of

In the fiscal year 2023-24, 2,273 employees received training on human rights protection and issues like discrimination and harassment, and the Company reported zero instances of child labour, forced labour, discrimination and harassment, adhering strictly to both the Prevention of Sexual Harassment (POSH) law and Company policy.

on-roll employees at site level. This diverse representation reflects the commitment to inclusivity and transparency in policy oversight. The GRC's composition ensures diverse perspectives in decision-making, fostering a comprehensive and fair approach to addressing workplace issues.

### Policy Oversight

The GMC ensures timely implementation of policies, offering guidance to ensure continual compliance with established standards. This oversight is crucial for maintaining a work environment free from discrimination and harassment.

### Monitoring ICC Functions

The Committee actively monitors and reviews the functions of the Internal Complaints Committee (ICC) and Grievance Redressal Committee (GRC). It

acts as a facilitator, providing avenues for aggrieved individuals to register and escalate complaints if not adequately addressed by the local ICC.

### Suo Moto Review

In extreme circumstances, the GMC has the authority to initiate a suo moto review of an investigation or enquiry conducted by the ICC. This proactive approach ensures a thorough examination of cases and reinforces our commitment to fair investigations.

### Incidents of discrimination and harassment

	FY 2021-22	FY 2022-23	FY 2023-24
Incidents of discrimination and harassment* reported	0	0	0

(\*)- Any form of harassment, physical, verbal, or psychological, is prohibited in adherence with the Prevention of Sexual Harassment (POSH) law, Human Rights Guidelines and Company policy.

### Escalation Process for reporting incidents related to discrimination and harassment

The Incident Reporting Procedure for Discrimination and Harassment at APSEZ reflects our commitment to upholding human rights as a moral obligation. We utilise a robust Grievance Management System (GMS) to assist individuals in resolving issues related to human rights.

The GMS provides a transparent and efficient platform for reporting complaints on various human rights concerns, including labour practices, ethics, and discrimination. This system ensures fair and timely resolution of grievances while maintaining the highest level of confidentiality.

- To report any concerns, anyone who is affected by or interested in the Company, such as workers, partners, clients, community members, social organisations and other stakeholders can access the grievance section on the Company's website.
- To enhance accessibility, grievance registers and complaint boxes are strategically placed at different sites and locations. APSEZ recognises the significance of providing a secure and

supportive environment for all stakeholders to voice their concerns and seek resolution.

- For optimal accessibility and efficient handling of grievances, alongside implementation of web-based grievance system, APSEZ has established a dedicated email address, [grievance.apsez@adani.com](mailto:grievance.apsez@adani.com) where individuals, including employees and stakeholders, can report any grievances.

## Remedial Actions for Enhancing Human Rights Across the Value Chain

In our commitment to safeguarding human rights throughout our value chain, APSEZ undertook several pivotal actions:

- **Expansion of Risk Management Framework:** Introduced sub-committees under the Risk Management Committee, enhancing our capacity to identifying, assessing, and mitigating potential human rights risks.
- **Governance Strengthening:** Increased the presence of Independent Directors in key committees, ensuring a broader perspective and oversight on human rights issues.
- **Broadened Risk Identification:** Extended our human rights risk identification to cover new business engagements, including mergers, acquisitions, and joint ventures, beyond our direct operations and existing value chain partnerships.
- **Rigorous ESG Due Diligence:** Implemented stringent ESG due diligence for offshore mergers & acquisitions and greenfield projects, incorporating environment and social impact assessments to proactively mitigate human rights risks.
- **Community, Supplier, and Customer Engagement:** Conducted participatory human rights surveys to collect critical feedback from our community, suppliers, and customers, fostering a deeper connection and understanding.
- **Systematic Reviews and Stakeholder Engagement:** Conducted periodic reviews of potential human rights issues and actively engaged with stakeholders to ensure that the human rights policy aligns with their needs, promptly addressing any concerns or risks identified.



OCCUPATIONAL HEALTH & SAFETY

# Ensuring Workplace Safety: Our Commitment to Health and Well-Being

At APSEZ, we are committed to continuously enhancing our efforts to prevent work-related illnesses and injuries. We ensure rigorous compliance with our Group's Health and Safety Policy, leaving no room for exceptions.

### Our Approach

Safeguarding the health and safety of our workforce is our utmost priority. We stand firm in our conviction that all workplace fatalities, severe injuries, and occupational illnesses are preventable. Through thorough materiality assessments, we've pinpointed Occupational Health and Safety (OHS) as a critical aspect within our value chain, emphasising its significance in maintaining a secure working environment. Our commitment extends to aligning with international health, safety, and well-being standards for our employees.

Our operational practices adhere to global best practices, aiming to proactively identify and mitigate

any potential risks. We believe in the prevention of all incidents and injuries, focusing on recognising, managing, and, whenever possible, eliminating risks through diligent risk management and critical control monitoring. This approach helps us to gauge and minimise our impacts effectively. Our OHS Policy (<https://www.adaniports.com/investors/corporate-governance>) engages key stakeholders – including employees, contractors, shareholders, and the community – ensuring compliance with national regulations and adherence to Good International Industrial Practices (GIIPs).

The governance of our safety efforts is underscored by a Consequence Management Policy,

ratified by the Board, which addresses both positive and negative outcomes. This policy comes into play when the Incident Investigation Committee finds careless decision-making at the root of an incident, leading to stringent measures. Contractors failing to meet our safety standards could face severe consequences, ranging from temporary suspension to permanent blacklisting, underscoring our no-compromise stance on safety.

We actively promote our OHS systems through a robust reward and recognition programme for our employees, reinforcing the importance of safety across our operations.



### Our values:

We strictly embed safety in the DNA of our operating management system.

### Our safety motto:

Zero Harm, Zero Injuries, and Zero Excuses

### Target:

To achieve Zero Harm and 25% reduction in LTI by 2025 (baseline 2016)

### Our Bible for Safety

A comprehensive manual - Adani Safety Management System - covers Group Occupational Health and Safety (OHS) Policy, Business OHS Policy, Site OHS Policy, Safety Governance Process, Felt Leadership, Standard Operating Procedures (SOPs), RACI (Responsibility, Accountability, Consulted and Informed), Goals & Objectives and 10 Life Saving Safety Rules, roles and responsibilities of employees, associates and vendors. Suraksha-Samwaad was employed as a behaviour correction technique.

### Key Highlights

LTIFR: 0.28

ISO 45001:2018 Certification: All ports certified for Occupational Health and Safety Management System

OHS Policy and STRAP Objectives: Implementation of Occupational Health and Safety Policy and Strategic Response Action Plan objectives

Safety Culture Assessment: Conducted by JMJ Consultant

OHS Governance: Establishment of robust Occupational Health and Safety governance

Safety Task Forces: Active functioning of Six Safety Task Forces

### Capitals Impacted



### SDGs Linked



### GRI Linkage

403

### Material Topics Impacted

- Occupational Health & Safety
- Employee Development

### Approach to Occupational Health and Safety Management

APSEZ has established a comprehensive Occupational Health and Safety (OHS) governance framework that spans all manufacturing locations and the entire workforce, demonstrating a strong commitment to continuously improving its OHS management system. This commitment is evident in the achievement of OHSAS 18000/ISO 45001 certification for all its ports in India, underscoring

adherence to international standards in health and safety.

To maintain this certification, APSEZ engages in regular OHS programmes, developing and executing improvement plans that are both rigorous and systematic. The Company leverages the Plan, Do, Check, Act (PDCA) cycle as a foundational approach for ongoing assessment and enhancement of its safety practices.

Central to APSEZ's strategy is the implementation of a robust OHS management system

designed to proactively identify and mitigate potential workplace hazards. This is achieved through comprehensive internal inspections and audits, which play a critical role in assessing operational risks and hazards. Identified risks are systematically prioritised and addressed through detailed action plans that set quantifiable objectives aimed at mitigating health and safety concerns. Once identified, the risks are prioritised and integrated into an action plan that includes quantified targets.

To ensure progress towards reducing health and safety issues, OHS Site heads continuously monitor and evaluate performance against the set targets. In the event of a risk being identified or an incident occurring, APSEZ follows a standardised incident investigation procedure aligned with its OHS management system.

To ensure effective progress monitoring and risk management, OHS site leaders consistently evaluate performance against these objectives. APSEZ employs a standardised incident investigation process in the event of a risk identification or an incident, ensuring alignment with its overarching OHS management framework. Furthermore, the Company conducts internal safety audits in accordance with the Factories Act at regular intervals to uphold safety standards

To foster a culture of safety, APSEZ introduced Suraksha Samwaad (Safety Interaction), a corrective behaviour system across its ports. This initiative involves the analysis of safety observations to inform the development and implementation of targeted

safety programmes. Additionally, third-party agencies conduct annual audits and certifications like ISO 45001, reinforcing the Company's commitment to maintaining high safety standards.

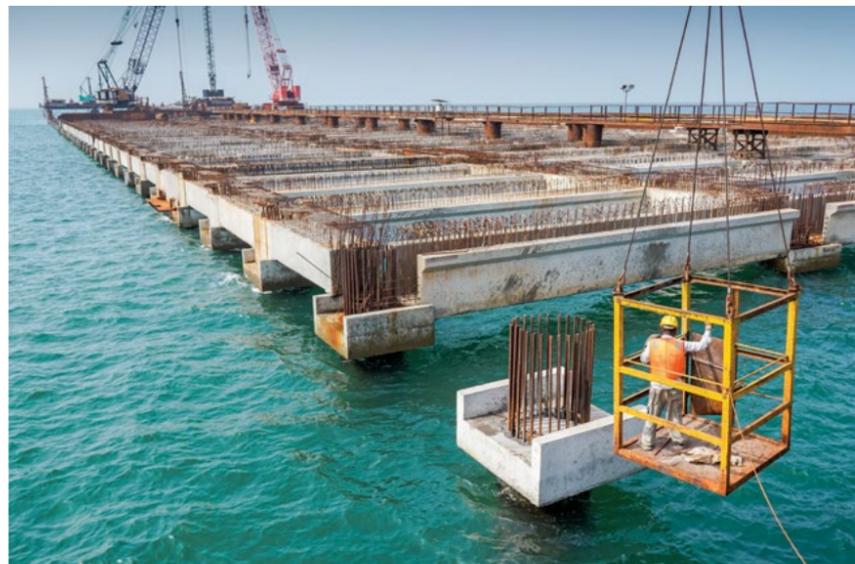
### Commitment to Excellence in Occupational Health and Safety

Our dedication to creating a safe and healthy workplace is unwavering. Our strategy encompasses a range of measures designed to protect and promote the well-being of our employees.

### APSEZ's Strategic Initiatives

- **Robust OHS Policies:** We have established clear, comprehensive policies as the cornerstone of our safety commitment, ensuring all employees comply with our safety objectives.
- **Proactive Risk Assessments:** Through regular, systematic hazard evaluations, we pre-emptively identify and address potential risks, employing effective mitigation strategies to maintain a safe working environment.

- **Continuous Training Programmes:** Our ongoing education and training efforts empower our workforce with essential safety knowledge and skills, fostering a culture of safety and vigilance.
- **Incident Reporting Mechanisms:** We maintain transparent procedures for reporting and analysing incidents, leveraging these insights to refine and enhance our safety protocols continually.
- **Health and Wellness Initiatives:** We implement programmes aimed at supporting overall employee health, including mental wellness, ergonomic practices, and preventative healthcare.
- **Performance Metrics:** By openly sharing OHS performance indicators, we provide clear insights into our safety outcomes and identify focal points for ongoing improvement.
- **Emergency Response Plans:** Our meticulously crafted emergency procedures ensure preparedness and effective action in the face of unexpected situations, minimising potential impacts.
- **Regular Audits and Inspections:** Scheduled evaluations of our practices against safety standards help us to consistently uphold high safety levels, pinpoint improvement areas, and adhere to industry best practices.
- **Employee Engagement:** Encouraging a participatory safety culture, we actively seek employee input and foster open communication, ensuring that safety is a shared responsibility.
- **Stakeholder Collaboration:** By engaging with external partners, regulatory authorities, and industry counterparts, we remain at the forefront of safety practices, continuously advancing our OHS protocols.



## Strengthening Our Safety Culture: A Comprehensive OHS Governance and Ambitious 2025 Targets

### Robust OHS Governance Framework: A Foundation for Zero Harm

At the heart of our endeavours is a steadfast commitment to achieving zero harm and fostering a culture of safety for all stakeholders. We have established a comprehensive Occupational Health and Safety (OHS) governance structure that seamlessly integrates safety principles into every facet of our business operations. This structure is designed to ensure the well-being of our employees and partners alike.

Our governance model is characterised by a multi-tiered approach to safety oversight and implementation:

- **Safety Steering Council:** Situated at the corporate level, this council sets overarching safety policies and strategic directions.
- **Business Safety Council:** Focused on translating corporate safety objectives into actionable plans, this council oversees the implementation of safety initiatives across different business units.

- **Site Safety Councils:** Operating at the ground level, these councils ensure that safety practices are executed effectively at each operational site.
- **Safety Task Forces:** These are convened to tackle specific safety challenges across the organisation, ensuring a targeted approach to mitigating risks.

Our commitment to safety excellence is further underscored by our attainment of the ISO 45001:2018 certification for our Safety Management System, reinforcing our adherence to the highest international standards.



### Safety committee reorientation

	Management	Non-management	Frequency of meetings
Site level	CEO and HODS	Departmental heads and task forces	Monthly
Business level	Business unit head, CEOs and safety heads	Taskforce heads and safety heads	Monthly
Corporate level	Committee chairman, BU heads and invitees	Taskforce heads and safety heads	Once in two months
Board level	BU heads and Chairman	Special invitees	Quarterly

## 2025 Safety and Health Targets: Elevating Our Safety Commitment

Looking forward, we have set ambitious goals for occupational and process safety, as well as health protection. Through regular monitoring and assessment, we aim to identify improvement areas and drive continuous enhancement of our safety performance. Our proactive approach encompasses a variety of programmes and initiatives designed to minimise health and safety incidents and promote a culture of safety across the organisation.

Initiatives	Benefits outcome
<ul style="list-style-type: none"> <li>Safety Training person- days per employee per year &gt; 2 and Roll out Personal Safety Action Plan (PSAP) aligning to Adani Leadership 10</li> <li>Commandments for all BU senior leaders</li> </ul>	BU safety KRAs for the leadership team & employees
Launch and conduct 4hr Contractor Induction pack. Create an awareness amongst the contractors on safety through Saksham program.	Capacity & capacity building
Develop reward and recognition policy covering the best TF member, OHS trainer, staff contractor. SRFA team and department achieved a high score in SPIS and effective implementation of CMP	Excel team engagement in OHS Activities
<ul style="list-style-type: none"> <li>Improve quality of SRFA audits to eliminate maximum 4s and 5s through SRFA. Strengthen AICs and line function, creating a competitive environment (target electrical safety standards)</li> </ul>	Safe workplace
Conduct a study of structural stability/integrity, take the maximum benefit of VSR audits tool to minimise vulnerabilities.	Elimination of vulnerable safety risk
<b>Samwaad:</b> Achieve minimum 4UA/hr and 100% assignment to all port employees through the monthly Samwaad assessment through KPI and 90% actual achievement	Engaging workmen in OHS activities
Horizontal deployment of incidents CAPA, SRFA based on a monthly trend for the business and monitor compliance 100%	Proactive approach to prevent reoccurrence in other sites
Introduce task force KPI scorecard for 6 task force and increase effective involvement of members through tracking, micro tasking and measuring. Review SSC and BSSC meetings	Line Management Engagement
Set up LPSE learnings and process for LOTO, W@H, Electrical, CSM Process Safety, Micro Hazard Mapping, Logistic Safety. MOC and SOP tool kit (Pictorial SOPs) across all (3 Number of projects executed during the year)	Utilising LPSE trained champions in the BU Safety Excellence Journey.

## Advancements in Process Safety

The Company implemented a well-structured process encompassing QRA (Quantitative Risk Assessment), HAZID (Hazard Identification), HAZOP (Hazard and Operability Study), PSM (Process Safety Management), PSSR (Pre-Startup Safety Review) for all expansion and projects. Additionally, Hazard Identification and Risk Assessment (HIRA) procedures were applied to all operational activities. A specialised team of process safety engineers regularly performed Hazard Identification and Risk Assessment (HIRA) for both new and existing processes. In addition, independent process safety consultants were engaged to conduct gap assessments, identify areas for improvement, and implement risk mitigation strategies to ensure process safety.

**The Company ensures the presence of fully equipped emergency healthcare facilities at all its sites, prioritising the well-being of employees and contractors. To monitor the health of individuals, comprehensive pre-employment and periodic medical assessments were conducted for all personnel. The Company maintained strict confidentiality and secure management of employee health-related information. To oversee occupational and individual health initiatives for employees, a dedicated doctor was appointed to lead these efforts. Process to identify work-related hazards.**

- Safety handholding and assessment done by a third party
- Monthly self-assessment carried out by a task force team
- Vulnerability Safety Risk Assessment by a site task force team (TF2 Contractor Safety Management) to identify and comply with SOP updating/refining
- Safety Risk Field Audit (SRFA) carried out at the site level by a task force team (TF2 Contractor Safety Management) on a regular basis

## Key initiatives

- **Technology-Enhanced Monitoring:** The deployment of CCTV systems equipped with advanced technology at hazardous locations enables round-the-clock surveillance and real-time alerts.
- **Safety Awareness:** Continuous audio safety announcements in local languages and simulation training modules at entry points raise safety awareness among employees and visitors.
- **Safety Alerts and CAPAs:** Incident learnings are disseminated through safety alerts, prompting the monitoring

and implementation of Corrective and Preventive Actions to address vulnerabilities.

In addition to these initiatives, we maintained our monthly reward and recognition programme across all ports, encouraging employees to actively participate in safety improvement by reporting concerns through an online portal. This program has successfully recognised 10% employees for their contributions to our safety culture.

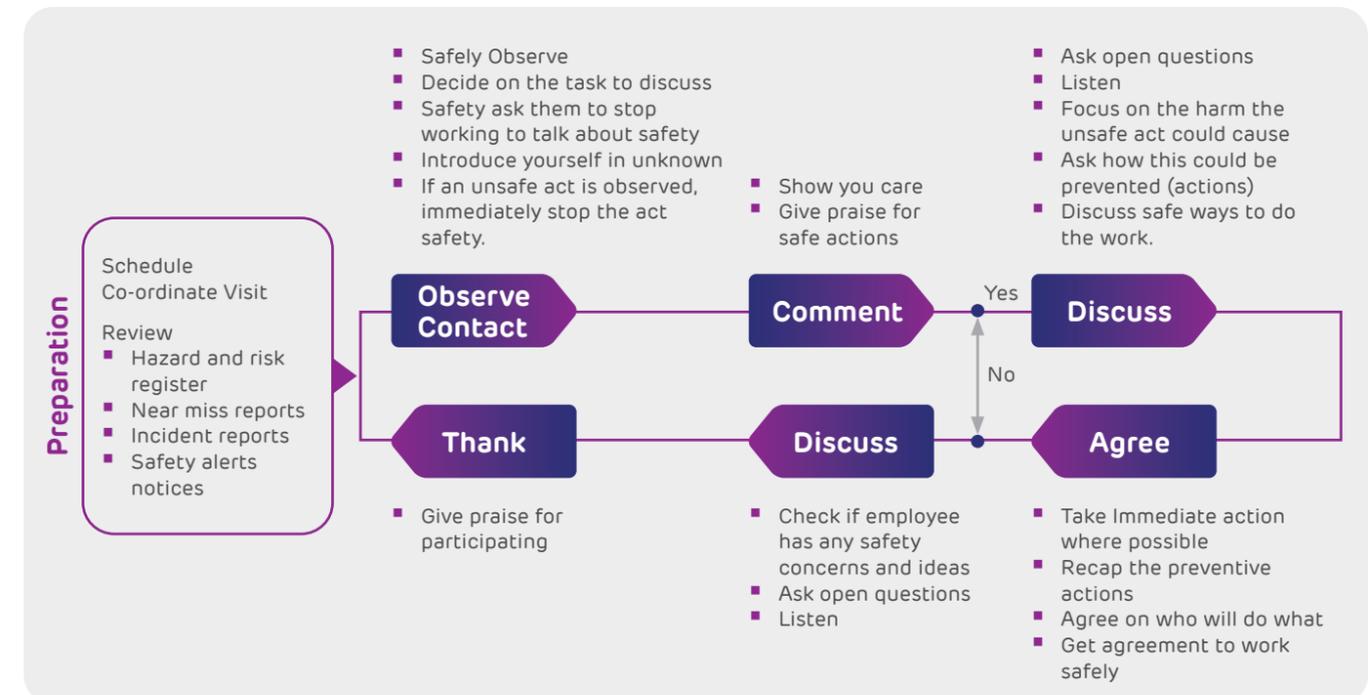
At APSEZ, we actively promote worker participation in health and safety matters through our platform called 'Samwaad'. This platform encourages engagement, consultation, facilitates knowledge

sharing, and enables learning from each other's experiences. Employees are strongly encouraged to report any safety concerns or incidents through an online portal. As part of this initiative, we have implemented the 'Adani GENSUITE' incident reporting and response management system. This streamlined system ensures timely and effective handling of incidents. Using their smartphones, individuals, including contractors, can report safety concerns, near-misses, and incidents within 40 seconds. Additionally, the platform offers an option for anonymous reporting, creating a safe and confidential reporting environment within our workplace.

## OHS O2D Suraksha Samwaad

A Suraksha Samwaad is a site visit where people are observed working, and the discussion follows about what you see. The Suraksha Samwaad conversation is an opportunity to :

- Recognise and acknowledgement safe and unsafe work practice.
- Raise any safety concerns.
- Work together to address unsafe situation.
- Follow-up and resolve Unsafe Acts and Unsafe Conditions before someone gets hurt.



Formal joint management-worker health and safety committees:

**Formation and Composition:**

- These committees are **site-specific**, tailored to the type of activity and workforce size.
- Equal representation** from both management and workers ensures balanced perspectives.

**Roles and Training:**

- Committee members, including the **Business Site Head, Line Managers, Head of Departments, and Site Safety Head**, play crucial roles.
- Training equips them to champion OHS initiatives.

**Regular Meetings:**

- The committees convene **frequently**, with meeting intervals ranging from **monthly to quarterly**.
- During these sessions, they delve into **OHS performance**, incident reviews, improvement suggestions, and annual goal-setting.

**Documentation and Communication:**

- Meeting minutes** are meticulously recorded and disseminated to relevant stakeholders.
- Open communication** fosters transparency and effective collaboration.

**Resource Utilisation and Records:**

- The committees leverage **consultants and other resources** to enhance safety practices.
- Maintaining comprehensive records** ensures accountability and informed decision-making.

Remember, these committees are the backbone of a safe and productive work environment.

## Elevating Safety Standards: APSEZ's Comprehensive Training and Operational Safety Measures

### Safety Training & Capability Building: Cultivating a Culture of Safety Excellence:

At APSEZ, safety training is more than a protocol – it's a fundamental aspect of our operational ethos, designed to embed a deep culture of safety across the organisation. Through visible leadership and the highest discipline in safety practices, we engage everyone from top management to employees, contractors, and partners in a unified effort to maintain a secure working environment. Health and safety trainings are mandatory for APSEZ employees.

**Customised Training Programmes:**

Our approach includes customised health and safety training sessions tailored to the specific hazards associated with various job roles. These sessions are delivered by

a blend of external and internal experts and are augmented with regular mock drills to test the efficacy of our emergency response strategies, invested in health and safety in FY 2023-24

**Innovative Learning Solutions:**

The launch of e-Vidyalaya, our online learning platform, marks a significant advancement in safety training, offering accessible e-learning modules that reinforce individual responsibility towards workplace safety.

**Empowering Educators:**

Our Train the Trainer (TtT) programme is designed to ensure that safety procedures are effectively communicated and continuously improved upon, enhancing our overall safety framework.

**Comprehensive Induction:**

Mandatory audio-visual induction sessions at port entrances equip all individuals with the critical safety

information needed from their first day on site.

### Simulator-Based Training: Enhancing Equipment Operation Safety

**Hands-On Simulation:** We have established dedicated training centres equipped with state-of-the-art simulators, enabling employees to gain practical experience with essential machinery in a risk-free environment. This innovative training method ensures that operators are fully prepared and skilled in safe equipment handling before they operate actual machinery.

**7,15,074**

Training man hours

### Operations Safety: A Holistic Approach to OHS

**Expanding the OHS Framework:**

Throughout the year, we've broadened our OHS initiatives to encompass not just port operations but also logistics, warehouse, and road transportation safety. Targeted sensitisation efforts aim to bolster employee skills across crucial areas such as road safety, defensive driving, and electrical safety, among others.

**Road Safety Enhancements:**

Initiatives include driver-centric safety programmes, the strategic deployment of speed radar guns, and comprehensive monitoring through CCTV with video analytics. These measures, along with educational programmes and targeted training, are designed to mitigate risks and promote safe driving practices within our facilities and beyond.

**Infrastructure Safety:** We conduct thorough assessments of health and safety risks associated with infrastructure, prioritising recommendations for improvements that ensure the safety and accessibility of all structures.

**OHS in Procurement Process:**

The Company uses online portals like Ariba and Contractor safety management which seeks mandatory information on the occupational health & safety practices of suppliers and check the level of suppliers aligned with our supplier code of conduct driven by a sustainable procurement policy which gives importance to OHS. We prioritise occupational health and safety practices, compliance with labour laws, and ethical considerations. By integrating these criteria, we foster a responsible and sustainable supply chain that places OHS at the forefront. This holistic approach benefits both our business and the broader community.

### Six-Step Contractor Safety Management Program



**Contractor Safety Management:**

Understanding the pivotal role that contractors play in our operations, we have instituted a comprehensive Contractor Safety Management (CSM) initiative. This initiative encompasses strategic planning, routine safety meetings, and an online CSM portal to authenticate contractors' adherence to safety practices. Toolbox talks and ongoing site surveillance further incorporate contractors into our safety culture, with contingency plans in place to suspend operations if required to uphold safety standards. The integration of OHS criteria in procurement and contractual obligations aligns with our operational requirements.

In the face of extreme events, team members were empowered to stop the operations promptly in case they observe any unsafe

practices. The workers are guided and benefited through the visual tools strategically positioned across all sites. As per our Human Rights Guidelines, Our organisation remains committed to upholding workers' rights to freely form and join trade unions, without any risk of intimidation or reprisal, in accordance with legal provisions. We also have a Grievance Management system in place to ensure prevention of worker's reprisal at the workplace. There is a grievance management system in place to address & resolve the concerns of the workers against any kind of reprisals actions faced by them.

**11,220**

Contractors participated in awareness session in FY 2023-24

### Safety Interventions

APSEZ implemented numerous safety interventions to bolster the health and safety measures. These interventions targeted various areas, including road safety, personal safety, visibility improvement, training and awareness, infrastructure compliance, emergency preparedness, and medical emergency response. Key initiatives include:

- Segregated lanes for different types of road users.
- Speed breakers and strict enforcement of speed limits.
- Mandatory use of crash helmets and seat belts.
- Enhanced visibility at sharp turns and blind zones.
- Comprehensive training for drivers and port users.
- Development of infrastructure following traffic rules.
- Rescue operations protocols and emergency medical assistance.
- Technical studies on winds and weather conditions.

## Strengthening Resilience: APSEZ's Emergency Preparedness and Security Measures

### Emergency Preparedness & Response Plan: A Foundation for Safety

APSEZ has developed an extensive Emergency Preparedness & Response Plan (EP&RP) that spans the entire lifecycle of port sites, including construction, operation, maintenance, and decommissioning phases. These meticulously crafted plans outline detailed response processes, escalation hierarchies, and control measures designed to manage extreme disaster scenarios effectively.

**Simulation Exercises for Enhanced Preparedness:** By conducting regular simulation exercises with relevant stakeholders, we assess and refine the effectiveness of our EP&RP, ensuring our readiness to tackle a variety of emergencies.

**Proactive Fire Safety Measures:** Our commitment to fire safety is evident in the implementation of comprehensive strategies, including the provision of firefighting equipment, early detection sensors, and regular fire safety audits. Training programmes and hazard awareness initiatives further contribute to a well-informed workforce capable of responding to fire emergencies proactively.

### Security: A Non-Negotiable Priority

**Robust Security Framework:** Recognising the critical importance of a secure working environment, APSEZ has established a rigorous security infrastructure to mitigate potential risks. Our approach to security risk management includes evaluating geopolitical

developments and their implications for our workforce and operations.

**Advanced Security Systems and Collaborations:** A multi-layered security apparatus, enhanced by drone technology and routine patrolling, safeguard our facilities. Collaborative efforts with the Indian Coast Guard reinforce maritime security, ensuring vigilant surveillance of coastal areas.

**Engagement and Preparedness Exercises:** Our security strategy is further solidified through periodic exercises like Sagar Kawach, conducted in collaboration with the Indian Navy, Coast Guard, and Marine Police. These exercises are vital for assessing response capabilities and fostering effective coordination in crises.

### APSEZ's OHS Performance in FY 2023-24

**Data-Driven Safety Insights:** The role of data analysis in shaping our safety strategies cannot be overstated. In FY 2023-24, the Adani GENSUITE platform played a crucial role in facilitating the reporting and analysis of 1,05,138 safety concerns, highlighting the importance of a proactive approach to health and safety management.

**Learning from Incidents:** Despite our rigorous safety measures, two contractor fatalities were reported during the fiscal year. These incidents prompted thorough investigations to identify root causes and develop strategies to prevent recurrence. The lessons learned were extensively shared with our workforce, reinforcing the critical nature of adhering to our safety protocols.



Safety incident description	Actions taken to strengthen safety
<p>1. The loader operator took sudden reverse without noticing rear activity, meanwhile Mr Bishwanath, Welder-FHS talking on mobile started crossing the road presuming that the loader has moved forward. Neither the loader operator noticed rear activity while reversing nor the welder noticed loader reversing behind with reverse horn, resulted the loader hit welder and ran over him.</p>	<ul style="list-style-type: none"> <li>No reverse movement allowed in the operational areas</li> <li>Restriction of pedestrian's movement on the road</li> <li>No mobile phone in the work area</li> <li>Do's &amp; Don'ts in multiple languages</li> <li>Feasibility study of arranging 300mm gap wheel guards for the wheel loaders</li> <li>All the wheel loaders to be fitted with reverse AI cameras and audible 95dB visual reverse horn</li> <li>Deployment of the security marshal to prevent traffic violations</li> </ul>
<p>2. Two Inter-carting vehicles, (one loaded and another waiting to be loaded at Plot Opposite to Berth 2), side swiped from opposite direction with each other, resulting in entrapment of one Driver inside the cabin of vehicle (TN93 A 3440). Driver was rescued without any visible sign of physical injuries. IP complained pain on the lower back region and leg.</p>	<ul style="list-style-type: none"> <li>RVDT Standards to be rolled out</li> <li>Unidirectional movement to prevent Head on Head collision</li> <li>SOP to be reviewed and modified</li> <li>ALS Ambulance required. Tied up with local medical center</li> <li>Feasibility of vehicles with advance safety features to be deliberated like:-</li> <li>Seat belts and air bags</li> <li>Driver alert system</li> <li>Front short-range assistance</li> <li>Side collision avoidance system</li> <li>Auto Hold and tyre pressure monitoring system</li> <li>Collision warning system</li> </ul>
<p>3. IP engaged in Coal cargo shifting activity from Berth No. 04 to the yard. At 2130 hours, an incident was reported wherein the palisade/railing on the jetty approach road were broken, this suspected the possibility of collision of the HMTV vehicle with palisade and topple of vehicle into the sea</p>	<ul style="list-style-type: none"> <li>To maintain the defined speed limits inside the terminals</li> <li>Rolling Barrier Guardrail System/Jersey Barrier to be installed across the Jetty Approach to prevent accidental fall of vehicles into the water.</li> <li>Defensive driving programme should be conducted for heavy vehicle driver and necessary action should be taken against drivers</li> <li>Competency of driver operator shall be ensured.</li> <li>Defensive driving training shall be ensured for all the workers.</li> </ul>
<p>4. IP was probably standing very close to RTG travelling path and leaned back accidentally exactly when the RTG was travelling just behind the IP for a job. IP sustained injury on his left hand and abdomen. IP rolled back himself in a safe area path, immediately after he was taken to Adani Hospital and referred to Bhuj Hospital, later during treatment he succumbed to internal injuries.</p>	<ul style="list-style-type: none"> <li>Improve position detection system accuracy of containers offloaded in yard.</li> <li>During manual inventory checks, RTG operation to be stopped in the yard</li> <li>A proper communication (2-way) system must be established between ground staff and Equipment operator.</li> <li>Controls to avoid Man Machine Interface</li> </ul>

Safety incident description	Actions taken to strengthen safety
5. During Manual bagging operation, IP was working on hand held stitching machine and while doing the work, IP experienced a severe electric shock and fell on the floor along with the machine, Later he got succumbed to his injuries during the treatment.	<ul style="list-style-type: none"> <li>Check the healthiness of all the portable electric tools, use only industrial plug sockets.</li> <li>Ensure RCCBs are in working condition and extension board should have its separate ELCB.</li> <li>Basic Safety PPEs must be used to maintain workplace hygiene.</li> <li>Availability of competent medical personnel in ALS could save lives. Ensure their presence with ALS. The effectiveness of these personnel should be checked periodically as part of mock drill to ensure their continued suitability.</li> <li>Tools brought and used by contractor and sub-contractor should be evaluated for electrical integrity and machine safety daily.</li> </ul>

Total Person-Hours Worked in FY24

**80,94,804**

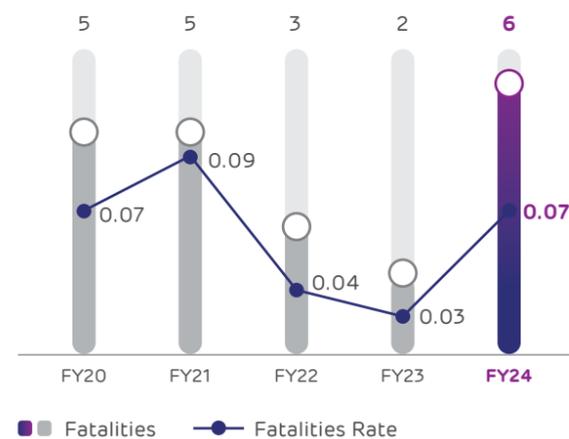
Employees

**7,03,25,908**

Contractors

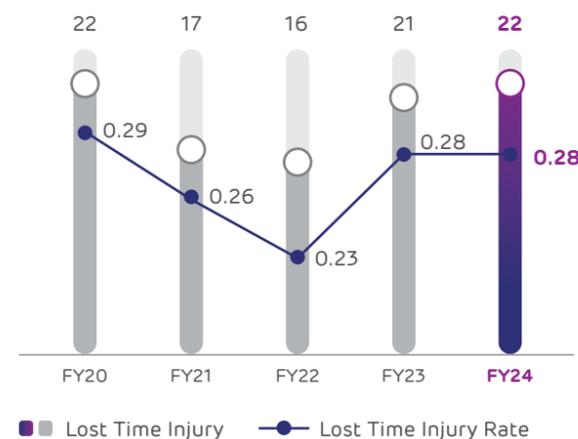
Fatalities by Year

(MMT)



Lost Time Injury (LTI)

(MMT)



CORPORATE SOCIAL RESPONSIBILITY

Empowering society for lasting prosperity

We acknowledge the fact that empowered societies create prosperous nations. We collaborate with Adani Foundation with an aim to foster value and build bright future for the communities. In perfect alignment with The Adani Group's 'Growth with Goodness' philosophy, we remain steadfast in working towards equitable and sustainable development of the marginalised communities.

Overview of Adani Foundation

Since 1996, the Adani Foundation, the community engagement arm of the Adani Group, has remained agile and deeply committed to making strategic social investments for sustainable outcomes across India.

It is empowering and enriching the lives of children, women, youth, and marginalized communities in the core areas of education, health & nutrition, sustainable livelihood, community development, and climate action.

The strategies of the Foundation are integrated in national priorities and global Sustainable Development Goals (SDGs). The Adani Foundation is currently operating in 6,769 villages across 19 states, positively impacting 9.1 million lives.

Vision

To accomplish a passionate commitment to social obligations towards communities, fostering sustainable and integrated development, thus improving quality of life.



Mission

To play the role of a facilitator for the benefit of the people without distinction of caste or community, sector, religion, class or creed, in the fields of education, community health, and promotion of social and economic welfare and upliftment of the people in general.



CSR Highlights APSEZ

**16.34** Lakhs Direct & Indirect CSR beneficiaries in FY 2023-24

**811** villages and 6 states covered through CSR initiatives



**APSEZ's CSR Commitments and Targets**

**25,000**  
Access to primary education (Students)  
FY 2024-25

**1,50,000**  
Enhancing access to primary health (consultations) Special Health Care program (TB, Cancer patients)  
FY 2024-25

**1,60,000**  
Enhancing green cover and promotion of bio-diversity through Mass plantation (sapling/plants)  
FY 2024-25

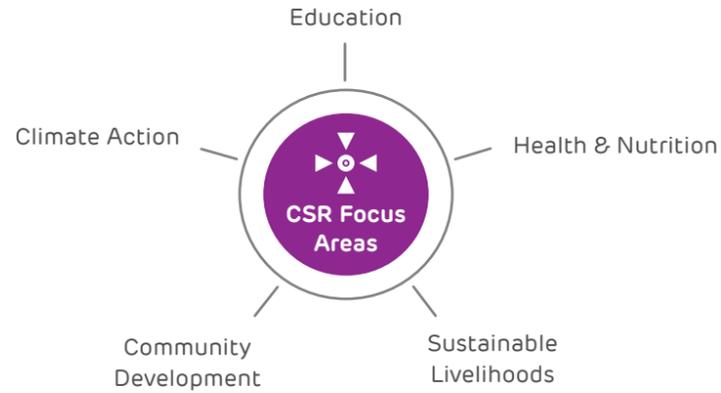
**Key Risks and Opportunities addressed**

**Risk:**  
Impact on external stakeholder due to operation.

- Opportunity:**
1. Providing additional source of income specially for women, fisherfolk and farmers through engaging them in income generation activities.
  2. Enhancing access to primary health care for the community.

**Risk:**  
Impact on Biodiversity

**Opportunity:**  
Tree plantation, Biogas installation



**Material Issues Impacted**

- Biodiversity & land use
- Human Rights
- Stakeholder Engagement
- Local community development

**Alignment with Strategic Priorities**

**S2:** Expand footprint nationally

**GRI Linkage**

413

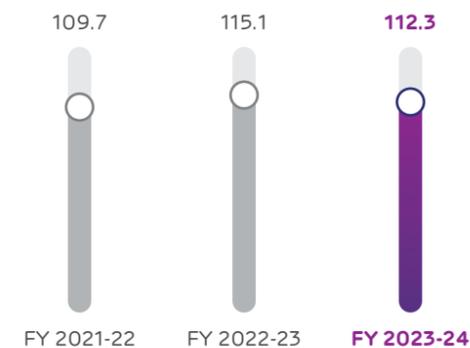
**Capital Connected**



**SDGs Linked**



**CSR Expenditure and Growing Outreach (CSR Spend in ₹ crore)**



**Community Engagement Programme**

Community engagement programmes are applied at all our operations as per stakeholder engagement policy guides us to identify affected communities and engage with a wide range of local stakeholders. In accordance with our policy guidelines, we refrain from conducting operations in protected regions, particularly those designated as indigenous territories. During our impact assessments, we are giving additional attention to vulnerable groups, including the indigenous community. Our collaborative approach involves regular consultations, public meetings, and feedback mechanisms. Additionally, we maintain an accessible complaints and grievance mechanism system to address community concerns promptly. The Board of Directors endorses our commitment to ethical practices and transparency.

**Precautionary Approach:** This involves conducting Needs-Based Assessments to pinpoint issues and devise a management plan, that is part of the precautionary approach and includes direct communication and community consultations. We have prepared with our Grievance Mechanism, Risk Management Plan, Stakeholder Engagement Plan and continuous Monitoring and Evaluation process for any initiatives, which are our fundamental elements of the precautionary approach.

**Community Impact Assessment:** APSEZ conducts a comprehensive impact assessment of the local community, considering demographics, cultural norms, and historical context. Identify key stakeholders, including community leaders, residents, NGOs, and local businesses. Evaluate the potential impact of company operations on

the community, both positive and negative before establishing in new locations or contemplating any mergers and acquisitions, we employ tools like social impact assessments, environmental impact assessments, environment and social due diligence, stakeholder and community mapping. By adhering the United Nations Universal Declaration of human rights, APSEZ respect indigenous rights, including their right to Free, Prior, and Informed Consent (FPIC) before planning any project that may affect them or their territories.

**Communication Channels for Local Stakeholders:** We have transparent and effective communication channels to facilitate dialogue between the company and local stakeholders. We ensure that communication is accessible and culturally sensitive. We have a Grievance mechanism system in place to address any concern. Appoint a community liaison or engagement officer to serve as a point of contact. Regularly update stakeholders on company activities, projects, and any potential impacts.

**Capacity Building for Local Stakeholders:** Provide training sessions on effective communication, negotiation, and conflict resolution. Offer

workshops on relevant topics (e.g., environmental conservation, health and safety). Collaborate with local educational institutions to enhance skills and knowledge. Foster partnerships with community organisations to collectively build capacity.

**Regular Surveys/Reviews of Perceptions for Local Stakeholders:** Conduct regular surveys or focus group discussions to gauge stakeholder satisfaction and concerns. Review feedback on engagement processes. Monitor changes in stakeholder sentiment over time and track grievances. Use insights to refine communication, address issues, and improve community relations.

**Meeting with Local Stakeholders to Identify Emerging Concerns:** Proactively engage with stakeholders to understand their evolving needs and concerns. Organise regular face-to-face meetings or virtual sessions with local stakeholders. Listen actively to their feedback, challenges, and suggestions. Identify emerging issues or trends that may impact the community or the company. Collaborate on solutions and incorporate their input into decision-making processes.



## CSR Activities in FY 2023-24

We undertook a plethora of CSR initiatives in the reporting year through the Adani Foundation aimed towards the empowerment of students, farmers, and women.



### Education

Through its CSR programmes, APSEZ aims to promote inclusive and accessible learning through the Adani Foundation. With strong focus on marginalized communities, the Foundation's educational initiatives are designed to facilitate value-based inclusive and affordable learning through four free and several financially supported schools. Its 'Utthan' programme is designed to enhance the quality of education in government school by adopting them to convert them into model schools. The programme includes providing digital tools in classrooms for advanced & easy learning, supporting young minds to compete through coaching classes and evening classes. The Foundation also ensures exposure visits to Adani businesses through Project Udaan for experiential learnings and supporting deserving and meritorious students with scholarships to pursue higher education.

#### Adani Vidya Mandir, Bhadreswar, Gujarat

Established in June 2012, Adani Vidya Mandir Bhadreswar (AVMB) is 2<sup>nd</sup> among four free schools operated by the Adani Foundation. This state-of-the-art school is benefitting children hailing from socio-economically disadvantaged backgrounds, particularly the fisherfolk community. Many students of AVMB are first-generation learners. The school has outstanding infrastructure

with all types of essential learning resources towards fostering holistic development of students. It operates under the affiliation of the Gujarat State Education Board (GSEB). Notably, in 2022, it achieved a significant milestone by becoming the first Gujarati medium school in Gujarat affiliated with GSEB to be accredited by NABET (National Accreditation Board for Education and Training). In the academic year 2023-24, the school catered to the educational needs of 604 students: 30% belonging to fishing and Maldhari (cattle-rearing) communities living in surrounding eight villages. Remarkably, during the same period, the school achieved an outstanding 100% passing percentage in the class 10<sup>th</sup> Gujarat Board examinations.

One of the key highlights of the last FY for the school remained its unique 12<sup>th</sup> annual day celebration that the students dedicated to United Nations' Sustainable Development Goals (SDGs). As part of this, over 600 students of the school pledged to plant over 25,000 saplings over a period of three years on the school premises and outside, including mangroves on the coast.

**604**

students are enrolled as of FY 2023-24

#### Adani World School, Krishnapatnam, Andhra Pradesh

Adani Vidya Mandir, Krishnapatnam (AVMK) is an English medium school from play school to Standard 10. It is affiliated to the State Government curricula and is operated by the Adani Foundation in Muthukur Village. The school provides value-based education along with books, uniform and midday meal free of cost. 928 students of fisherfolk families are studying in this school. The school is having state-of-the-art science lab and digital lab coupled with a big playground and a beautiful lawn that ensure a good balance of quality education with valuable physical education. The class 10 results of academic year 2024 was especially noteworthy for the school. 21% of 56 AVMK students who appeared for the board examination scored above 90% and 27% students scored between 80-90%. 16 students scored 95 & above marks in Mathematics.



#### Adani DAV School, Odisha

The Adani DAV Public School was established in Kuamara, Bhadrak, Odisha, in April 2012, through a partnership between the DAV Managing Committee and Dhamra Port Company Limited. This CBSE-affiliated institution initially offered classes up to Secondary and has recently expanded to Senior Secondary. The school is dedicated to providing education to children residing in and around Dhamra Port, particularly to those belonging to fisherfolk and farming communities. The school upholds a strong commitment to educational and human excellence. During the academic year 2023-24, the school served a total of 531 students, supported by 26 teachers and 07 additional staff members. Notably, it also achieved outstanding results in the Class-X CBSE examinations, boasting a Quality Performance Index (QPI) of 77.55.

**531**

students educated as of FY 2023-24

Received Quality Performance Index (QPI) of

**77.55**

for outstanding results in Class-X CBSE examination

#### Navchetan Vidyalaya Primary Wing, (NVPW), Junagam, Hazira, Surat

Navchetan Vidyalaya Primary Wing (NVPW), located in Junagam, Hazira, Surat, is a Gujarati medium primary school affiliated to the Gujarat State Education Board (GSEB). Established in 2003 by Navchetan Vikas Mandal, the school is under the supervision of the Adani Foundation, which manages both its academic and administrative aspects. Since its inception, the

school has experienced significant growth, with student enrolment increasing from 193 to 412, with 51% being girls. The Adani Foundation emphasises activity-based teaching and learning methodologies to enhance student engagement in academics.

#### Scholarships to Deserving Students in Surat (Gujarat) and Dhamra (Odisha)

APSEZ is committed to providing access to quality education to the most vulnerable communities in and around its operations. It is reaching out to Halpati community (belonging to the Schedule Tribe) in Choryasi Block of Surat. The community, comprising of mostly farmers or landless laborers, don't prioritise education due to financial constraints. Their children tend to drop out from schools, mostly from Class IX because of financial issues.

To tackle this issue, the Adani Foundation started awarding scholarships to deserving students from the community. In academic year 2023-24, 30 students were awarded scholarships. They are now continuing their education in four specifically chosen grant-in-aid schools.

In Dhamra, Odisha, Dhamra Port in association with the Adani Foundation is helping deserving students pursue higher studies. Dhamra Port Company Limited has instituted a yearly scholarship named 'DPCL Merit Scholarship' to benefit students from poor fishing families and marginalized farming families. In the fiscal year 2023-24, this prestigious scholarship was awarded to top 30 students from seven government high schools. Each recipient is entitled to an annual support of ₹ 12,000 throughout their Higher Secondary Certificate (HSC) studies.

#### Utthan

The Adani Foundation started Utthan programme as part of its education thematic vertical in the year 2018-19. The flagship programme started with the aim to enhance learning capabilities of progressive learners in government schools. It progressively added features like providing facilities to schools to improve learning ambience through initiatives like BaLA paintings, providing digital tools in classrooms for advanced & easy learning, supporting young minds to compete through coaching classes and evening classes.

The programme is being implemented at the grassroots level and rural spaces (catering mainly to government schools) through Utthan Sahayaks (community volunteers). They are deployed on the ground to facilitate the day-to-day functions of the programme in schools. They are trained in identifying Priya Vidyarthi (progressive learners) and addressing their unique learning needs. Under Utthan, English has been introduced as a third language and other academic activities and extra-curriculum activities are also introduced with an aim to arrest the dropout rates. It also emphasizes the capacity building of teaching staff and Utthan Sahayaks. One of the interesting aspects of the programme is the involvement of parents (especially mothers) in the whole process of developing the academic skills of their children.

In the fiscal year 2023-24, Utthan covered a total of 21,570 students across 173 schools situated in 4 locations of 2 states (Kutch, Bharuch and Surat districts of Gujarat and Bhadrak district of Odisha). This project aligns directly with the recommendations outlined in the National Education Policy 2020, which emphasises the importance of foundational literacy

and numeracy while also advocating for community engagement in the education of young children.

**21,570**

students benefitted across 173 schools in 4 locations of Gujarat and Odisha

**Library Support**

To encourage reading among upper primary and high school students, the Adani Foundation actively promotes the establishment of library facilities in schools. It also organises various activities and competitions aimed at fostering the habit of reading among students. During the fiscal year 2023-24, the Foundation took a significant step forward by providing computer systems to six schools located in the vicinity of the Dhamra port. These systems were intended to facilitate the initiation of e-libraries, thus leveraging technology to enhance access to a diverse range of reading materials for students.

**Adani Evening Education Centre (AEEC)**

The Adani Foundation initiated evening classes as a pilot project in December 2021, in and around 5 port locations of APSEZ. Each centre has a dedicated tutor and a subject matter expert for every five AEEC participants, focusing on Mathematics, English, and Science. The primary objective is to address the issue of school dropouts and enhance the self-confidence of students attending government schools. Most of these students belong to poor fishing and farming families. AEEC aims to improve their academic performance. Recognising the need to expand its reach, the Foundation has been running 57 AEECs in fiscal year 2023-24. These centres are benefitting 3100 students in all.



**57**

centres developed in FY 2023-24

**3,100**

students benefitted from AEEC till date

**Praveshotsav, Dighi, Maharashtra**

Praveshotsav in English means a celebration of the onboarding. This interesting initiative was started in government schools of Dighi to welcome the students of class 1 on their first day in school. The Adani Foundation along with teachers organized this event to make the first day fun and memorable for the students. 250 children from 10 schools of 4 villages in Raigarh (Maharashtra) were greeted in the event. They were given basic educational kits and school bags.

**Promoting Healthcare**

The Adani Foundation is investing in community health by building and strengthening institutions. It

is facilitating healthcare services in the form of tertiary care and doorstep primary care. The aim is to ensure last mile access of knowledge, awareness, coupled with quality & affordable health services to vulnerable population. Our interventions include tackling Malnutrition, Mobile Health Care Units, Wellness centres and Rural clinics, Health camps, and establishing and operating multi-specialty hospitals. We are spreading knowledge in the community towards tackling Malnutrition and Anaemia as part of our SuPoshan programme. It is catering to children in the age group of 0-5 years, adolescent girls, pregnant and lactating women, and women in the reproductive age.

**Mobile Health Care Units (MHCU)**

The Adani Foundation operates Mobile Health Care Units (MHCUs) in remote areas of Mundra (Gujarat), Kattupalli (Tamil Nadu), Dhamra (Odisha) and Vizhinjam (Kerala) to ensure access to quality primary healthcare services at doorstep. The primary objective of these MHCUs is to detect any health issues in community members at

an early stage, provide necessary medication, and refer individuals for further medical treatment if required. These MHCUs serve a population across 100 plus villages, reaching out to over 7000+ patients every month. In the fiscal year 2023-24 alone, the program facilitated a total of 85,141 treatments.

**85,141**

patients treated through MHCUs in FY 2023-24

**Adani Hospital, Mundra (Gujarat)**

The Adani Hospital in Mundra is a 100-bed secondary care hospital catering to the healthcare needs of the local population of Mundra and neighbouring areas. It is committed to grooming medical professionals and providing clinical services at affordable rates. In FY 2023-24, it provided 46,642 OPD and 2585 IPD services.

**Anaemia Control Programme, Dighi (Maharashtra)**

To combat the widespread prevalence of anaemia, particularly among individuals from the fishing community in Raigad District, a targeted programme was launched through a formal agreement with Zilla Parishad, Raigad. Women, particularly those residing in rural areas, are disproportionately affected by anaemia due to limited awareness and information regarding their health issues. The anaemia control programme addresses this issue through collaborative efforts, utilising shared resources and the convergence of government schemes. It encompasses various components, including nutritional care for children aged 0 to 6 years, awareness campaigns, counselling sessions, capacity building, and training initiatives targeting women

and adolescent girls throughout the year. Over 4,200 beneficiaries specially women and girls from 16 villages have been reached through this programme. Additionally, as part of menstrual hygiene awareness efforts, over 19,000 sanitary pads were distributed to women, and more than 500 women received sensitisation training on menstrual hygiene in and around villages of Hazira.

**4,200**

beneficiaries specially women across 16 villages benefitted from the programme

**600**

women undergone for HB screening

**Rural Clinic, Dighi (Maharashtra)**

Dighi, a group gram panchayat comprising approximately 1,500 households, faced a challenge with access to basic healthcare resources, with only one "Ayushman Bharat" sub-centre available at 18 km. Recognising the importance of revitalizing this essential healthcare

facility, the Adani Foundation undertook the task of renovating the centre and advocating for medical services with the Health Department. Through persistent efforts, the Foundation developed and proposed a Public-Private Partnership (PPP) model to the government. As a result, half-day outpatient department (OPD) services are now offered six days a week to community members. These services include free consultation, counselling, provision of medicines, and awareness campaigns for preventive healthcare measures. 1890 OPD visits to the clinic with 45% of patients being female and 18% being children.

**Health Camps**

Health camps are crucial for providing access to basic and specialised medical services in the rural areas. It also helps in creating health in the masses on various health and hygiene issues. These camps also play a vital role in empowering healthcare professionals at the grassroots level by equipping them information and skills





to make informed decisions regarding prevention, diagnosis, treatment, and care. In the reporting fiscal year, a total of 48 general and multi-specialty medical health checkup camps were organised in villages located near APSEZ locations. These camps provided access to a range of medical services through General Physicians, Paediatricians, Gynaecologists, Dermatologists, Ophthalmologists, and Orthopedic doctors. A total of 11,281 patients were consulted during these rural camps, and appropriate medications were provided.

**11,281**

patients benefitted from the health camps.

were set up to implement the initiatives.

During the year following activities were carried out:

- 16 animal husbandry training conducted with 489 beneficiaries.
- 1041 animals of 425 families were treated in 20 camps in 26 villages.
- 3347 animals were vaccinated for HS Disease in 20 villages.
- 2979 animals were vaccinated for Foot & Mouth Disease in 14 villages.
- 1700 kg mineral mixture to 790 livestock holding families.
- 40 families were supported with 200 kg (each) readymade silage for feeding to their dairy animals selected for silage demonstration from 19 project villages.

**Outcome of Kamdhenu**

Asset worth ₹ 1.23 crore were created. With total milk production

of 7,77,200 liters, the initiative covers 199 female calves, 11 male calves, 403.7 tons fodder production, employment created for 42 families.

**Livelihood Groups:** The Foundation has provided support to 32 individuals including 10 specially abled persons by helping them open their provision stores, vegetable shops, stationary shops, etc. This initiative enabled each of them to earn an average of ₹ 200 per day, thereby fostering economic independence and self-sufficiency.

Furthermore, the Foundation supported 36 group units to, empowering them to improve their small businesses such as selling vegetables, running tiffin services, tea stalls, snack stalls, etc. Additionally, the Foundation supports women's entrepreneurial groups through capacity-building initiatives. These groups received training in skill development, day-to-day management of businesses, and basic accounting.

**98**

Livelihood groups

**1,104**

members

Turnover

**1.53 crores**

**Natural Farming:**

Agriculture is evolving over time. With growing concerns of climate change, a lot of on-farm innovations and drift towards natural farming are happening. The Adani Foundation is aligned with the progress and supporting farmers in this changing paradigm. In villages Mundra, Dahaj, Kattupalli, Dhamra and Krishnapattnam, foundation is facilitating farmers to adapt to new ways of natural farming, which are chemical-free and rooted in Indian tradition. Simultaneously it is enriched with modern understanding of ecology, green

resources, on-farm optimization. Apart from knowledge capital, the Foundation is providing quality seeds and technical inputs from preparation of field to production of crops. All these initiatives (natural farming) are happening in association with Agricultural Department and Krishi Vigyan Kendra.

Below are some of the key highlights and outcomes:

- 4000 farmers participated in trainings on natural farming practices.
- 500 female farmers in 20 villages of tribal area, Netrang were supported with essential kits (with 10 types of vegetable seeds) to start kitchen gardening.
- 800+ farmers in Mundra villages embraced natural farming.

**Outcome:**

- 410 female farmers of Netrang area earned a collective income of ₹ 13.12 Lakhs through kitchen gardens.
- 100 farmers of Kattupalli received organic certification.

**Climate Action**

Envisioning a better and greener tomorrow. The Adani Foundation focuses on water conservation, waste management and increasing tree coverages across our sites in India. It is working to rejuvenate and restore village ponds, recharge wells, install roof rainwater harvesting structures, building check dams & bunds, and promoting the usage of drip irrigation for a climate resilient future.



**Sustainable Livelihood Development**

The Adani Foundation is dedicated to enabling wealth creation at grassroots by establishing a self-sustaining ecosystem that harnesses human potential and community resources for socio-economic progress. Our efforts cover on-farm, off-farm, and non-farm areas, aiming to boost, diversify, and sustain incomes. Our initiatives include organic farming, animal husbandry, dairy development, and empowering women-owned enterprises through knowledge, skills, and market connections. Adani Saksham, our skilling programme, imparts skill-based training to youths, thereby increasing their employability and entrepreneurial abilities. It is now incorporating advanced technology such as

Augmented Reality-Virtual Reality (AR-VR) and launching courses in the Metaverse.

**Livelihood Initiatives**

**Dairy Initiative in Dahej**

The dairy initiative named 'Kamdhenu' aims to strengthen the animal husbandry-based livelihood in 30 villages of Dahej and Netrang blocks of Bharuch district in Gujarat. The main objective of Kamdhenu initiative is to increase and sustain farming family's income through development of livestock. It is done through increasing animal productivity and improving quality of overall production. The Foundation ensures that quality animal health care services like breed improvement through artificial insemination, animal vaccination, fodder cultivation and adapting to best cattle rearing practices. As part of the initiative, it is building cadre of livestock technician who can continue the efforts beyond project period. Three Cattle Development Centers (CDCs)

**Vruksh Se Vikas**

The Adani Group is progressing towards its target to plant 100 million trees by the end of this decade and contribute to the World Economic Forum's one trillion mission. More than 29 million trees have already been planted.

Under the Adani Foundation's Vruksh-Se-Vikas initiative, the teams are actively planting saplings of native species in and around beneficiaries' households, common areas of villages, and villages' institutional premises. The Foundation is facilitating in ensuring proper watering and protection of the saplings towards improving survival rate. In the fiscal year 2023-24, a total of 164,000 saplings were planted.

**1,64,000**

saplings planted under Vruksh se Vikas

**Pond Deepening, Dhamra**

APSEZ is committed to ensuring access to clean water for domestic, livestock and irrigation purposes. It is working with the Adani Foundation to develop and implement water conservation strategies to benefit people living in rural areas. At Dhamra, Odisha, a lot of impetus is given to deepening of ponds towards bolstering water storage capacity, consequently augmenting the groundwater table and ensuring enhanced water availability. As part of this endeavour, the Adani Foundation undertook the deepening of three ponds in Dhamra, namely, the Jhadakata community Pond, Narsinghpur Mahadev Pond, and Oramal Amrut Sarovar Pond.

Additionally, renovation work of the Jay Durgapatna Pond was successfully completed.

**Efficient Use of Solar Pumps for Irrigation**

In Selut and Kudiyana villages of Olpad block of Surat, the Adani Foundation has undertaken a commendable initiative by installing 10 solar pump systems with 5 HP capacity each. This initiative is part of scaling up of a successful model which is operating in in Bhandut village (Olpad block), where irrigation is now 100% solar-pump powered, covering 400 bighas of agricultural land and benefiting over 150 farmers. Implemented under a Public-Private Partnership (PPP) model, the Adani Foundation invested 75% of the total project cost, while the remaining 25% was contributed by the farmers as community participation.

Solar-powered Irrigation Systems (SPIS) offer a sustainable and environmentally friendly option for irrigation, replacing conventional petrol-diesel-based pumps, thereby reducing greenhouse gas (GHG) emissions in the process.

**Solar Lights Installation at Gangavaram, Tamil Nadu**

Lighting common places and roads in the villages is one of the ways to increase the safety and enhance liveability in rural areas. The Adani Foundation is achieving this objective in an environmental conscious way. In Gangavaram, Andhra Pradesh, it has installed 10 solar powered lights in Gangavaram and another 8 in Dibbapalem.

**500**

individuals benefitted from solar lights installation



**Community Development:**

APSEZ through the Adani Foundation is committed to the overall well-being of the community through enablers, including need-based safe public infrastructure, providing access to applicable government schemes, ensuring access to clean and safe drinking water, promotion of sports for youths, protection, and promotion of art & heritage, and last but not the least responding to humanitarian and natural calamities.

**Aahaar**

The Aahaar programme was initiated in Odisha on April 1, 2015, in association with Housing and Urban Development Department, under the government of Odisha, as the lead department for implementation across the state. It aims to provide hot cooked meals consisting of steamed rice and Dalma (a popular local vegetable preparation) to those in need at a minimal cost of ₹ 5 at public places in urban areas. Key focus includes ensuring the provision of high-quality food and maintaining hygiene and cleanliness standards. As a partner of the programme in Bhadrak district, APSEZ supported by providing 500 meals per day, totalling 1,56,000 meals during the fiscal year 2023-240.

**1,56,000**

meals provided in FY 2023-24

**Promoting Sports amongst Youth in Kattupalli (Tamil Nadu)**

Drug consumption is becoming a major concern in many parts of our country. The Adani Foundation's 'Say No to Drugs' campaign in Kattupalli, Tamil Nadu, is a proactive initiative aimed at empowering the youth of the region through involving them in sports. It organizes a Kabaddi tournament every year. In the reporting FY, the Championship was organized among 16 teams from four Panchayats including Kattur, Voyalur, Thiruvellaivoyal, and Thangal Perumbulam. Over 350 youths participated in the matches, while also pledging to keeping distance from drugs. Local leaders also supported the Championship, voicing their concern and support to the good cause.

Similarly, 1815 players (121 teams from 45 villages of Hazira); 407 players (37 teams) participated in Lakhigam Premier League.

A total of **2,500+**

youths engaged through sports training and competitions

**Samajik Suraksha Labh Abhiyan, Mundra**

In Mundra, the Adani Foundation's Community Resource Centre serves as a crucial link between the government and eligible beneficiaries, offering a single-window solution for citizens to access various government schemes. These schemes include widow pension, divyang pension, PM Kisan Sanman Nidhi, among others. The centre facilitates

access to these schemes through awareness campaigns, outreach programmes, online application support, and follow-ups. During the fiscal year 2023-24, the Foundation played a pivotal role in enabling community members to leverage government social security schemes, totalling approximately ₹ 2.3 crores (₹ 19.7 lakh monthly). Additionally, the Foundation facilitated the utilisation of various one-time support schemes such as Gobardhan Yojana, I Khedut, MNREGA, Drip Irrigation, and Vahli Dikri Yojana, resulting in a total of 5,965 benefits to the community, valued at approximately ₹ 16.35 crores.

**Vegetable Market Shed, Mundra**

The Adani Foundation is conscious of pursuing ways to benefit people and their potential to earn a stable livelihood. In Mundra, it has facilitated a dedicated space for local vegetable vendors. The newly inaugurated marketplace comprises 195 stalls, each equipped with a proper platform, shed, and secure storage facilities. The facility has been handed over to Mundra Nagarpalika (municipality), which facilitated the allocation of stalls through a transparent drawing system. The Nagarpalika will be providing electricity and ensuring proper maintenance of the marketplace.

**Multipurpose Hall at Lakhigam, Dahej**

The Multipurpose Hall has been built with amenities like kitchen, changing room, sanitation block, ramp for specially abled people. The hall will be utilized for organizing social functions, practicing indoor games, conducting education-based training and awareness etc.

The hall has a 6kW solar panel system with inverter installed for power backup. It will also reduce the burden of electricity bill of streetlight on gram Panchayat and surplus electricity will be transmitted back to the grid. For environmental significance, the installed solar panel system will offset roughly 167 tons of carbon dioxide emission. The installation will be equal to planting 267 teak trees over the lifetime or removing 1.3 cars from the road annually.

**Access to Clean Drinking Water, Dhamra**

In Dhamra, Odisha, where access to safe and clean drinking water is crucial, the Adani Foundation has taken on the responsibility of ensuring the availability of potable water by installing hand pumps in this saline region. This initiative is vital for safeguarding the health and well-being of the local communities. During the fiscal year 2023-24, the Foundation installed 15 hand pumps with wastewater recharge pits in the Port periphery. This initiative directly benefited a population of

3629 direct beneficiaries, providing them with access to safe and clean sources of drinking water.

**3,629**

people benefitted with access to clean drinking water

**15**

hand pumps installed in the port trajectory

**Drinking Water Facilities through RO Plant, Kattupalli**

The Adani Foundation is committed to providing access to safe and clean drinking water in Kattupalli, Tamil Nadu, particularly in this saline region where such resources are scarce. To address this critical need, the Foundation has undertaken the responsibility of constructing an RO (Reverse Osmosis) plant to ensure the availability of potable water for the community. Before the installation of the RO plant, families in the area were spending approximately ₹ 30 to purchase 20 litres of

water, resulting in significant monthly expenses ranging from ₹ 800 to ₹ 1,000 per month. The Foundation has set up a 1,000 litres per hour (LPH) capacity RO plant to benefit 600 families residing in Kattupalli and neighboring villages. Upon completion, the ownership and operation of the RO plant has been transferred to the Gram Panchayat, who is now overseeing the maintenance of the facility. To cover the operation and maintenance expenses, the Gram Panchayat is charging nominal fee of ₹ 5 for every 20 litres of water. This measure will be ensuring a long-term viability of the RO plant.

**1,000**

LPH capacity RO plant installed for 600 families

**Toilet Block for Girl Students, Kattupalli, Tamil Nadu**

One of the major reasons for girls to drop out from schools is lack of access to clean toilets there. The Adani Foundation is working relentlessly to address this issue. In JS Government Higher Secondary School, located in Pulicat Panchayat, Kattupalli in Tamil Nadu, a total of 380 students are enrolled, out of which 220 are girls (aged between 15 and 17 years). However, the inadequate toilet facilities posed a significant obstacle for girls to attend school regularly. The Foundation has facilitated the construction of a dedicated girls' toilet block in the school. This new facility comprises six toilet units, providing adequate and hygienic sanitation amenities for girls in the school



**Sports Development Centre at Gangavaram**

Andhra Pradesh has a rich tradition of rural games like Kabaddi, alongside a strong interest in activities such as army selection, bodybuilding, and fitness. To further promote this culture of physical fitness, the Adani Foundation has undertaken the development of 1.5 acres of land in Dibbapalem and 5 acres of land in Gangavaram, transforming them into playgrounds suitable for practicing Cricket, Football and Kabaddi. These newly developed playgrounds cater to over 500 youths in the region, providing them with dedicated spaces for recreational activities and sports training.

**Beach Nourishment, Gangavaram**

Yarada is a coastal village sharing boundary with Gangavaram Port. It has close to 2,500 households and has a total population of about 10,000 people. Majority of these people are engaged in fishing and allied activities. The beach serves as a wave buffer for the shore and will erode over time as the sand is carried out to the water. This sea erosion is a phenomenon that happens every year at Yarada between February and March. The east coast of India including Adani Gangavaram Port experiences natural littoral drift of sand from south to north. Beach nourishment

has safeguarded the ecosystem, protecting shorefront properties, expanding, and preserving beaches. Also, it helped in building back up and protecting the shoreline from diminishing beach space. This has been carried out by dredging the accredited sand on southern side of Port and deposit to the Yarada Village shore (North side).

**Providing Support in the Aftermath of Train Accident**

Three trains collided at a station in Balasore, Odisha, in June last year, sending shockwaves across the nation. It claimed the lives of more than 280 people and left over 1,100 others injured. In response to this tragedy, the Adani Group pledged to provide free school education to children who lost their parent(s) in one of the country's deadliest train accidents in decades.

The Adani Foundation sprang into action immediately to identify the victims and facilitate help.

It formed three teams to identify the victims. The teams found that there were 70 victim families from four states - Bihar, Jharkhand, Odisha and West Bengal. Most of the victims were the sole breadwinners of their families and were working as daily wage labourers. After coordination with the respective state administration, the teams visited the homes of all victims to express their condolences. Through this exercise, the teams identified 138 children who lost their parent(s) in the tragedy and needed support for education.

The Foundation swiftly transferred the school fees of these children into their respective bank accounts. It has committed that it will support complete education of these students up to high school. Those studying in classes 11<sup>th</sup> and 12<sup>th</sup> would receive one-time financial assistance.

In FY 2023-24, the Foundation has spent ₹ 18 Lakh towards facilitating the education of these children.

The Adani Foundation is hopeful that this humble step will help the children to continue their education and prepare themselves for future endeavours.

**RESPONSIBLE PROCUREMENT**

# Promoting Responsible Procurement Practices

At the core of our operations lies a steadfast commitment to responsible procurement. Our ongoing efforts to integrate ethical, environmental, and social considerations guide us toward sustainable success. This strategic approach not only safeguards our supply chains from potential risks but also fortifies our brand's integrity and cultivates enduring partnerships. Through responsible procurement, we enhance innovation, support economic growth, and reaffirm our commitment to sustainability.

### Our objectives

**Forging Strong Supplier Relationships:** Building strong relationships with suppliers is the key to Adani Ports' ambition of becoming the World's Leading Port Utility by 2030.

**Local Economic Empowerment:** Increase our contribution to local economic development by enhancing our local sourcing and procurement expenditure.

**Compliance and Risk Mitigation:** Ensure risk mitigation by achieving full compliance with environmental, safety, and labour regulations.

**Sustainable Value Creation:** Foster shared value creation by promoting sustainable business practices, including the implementation of a climate

action plan, a water management policy, and a human rights policy.

**Innovation in Disruption Management:** Adopt innovative approaches to navigate disruptions in the global supply chain, moving away from conventional methods.

**Client Agility:** Assist clients in achieving agility by developing resilient and sustainable supply chains.

**ESG-Driven Approach:** Implement an ESG-driven approach in supply chain management, integrating key qualifiers for enhanced efficiency and profitability.

**Sustainability Awareness:** Create awareness among supply chain partners about the importance of sustainable business practices.

### Key Highlights

Total Suppliers: 5,805

Total number of Tier 1 suppliers: 5,805

Total number of significant suppliers in Tier-1: 272

% of total spend on significant suppliers in Tier 1: 68%

Total number of significant suppliers in non-Tier-1: 0

Total number of significant suppliers (Tier1 and non Tier1): 272

### Material Topics Impacted

- Vendor Relations/ Responsible Procurement
- Human Rights
- Health and Safety
- Affordable & Clean Energy
- Waste Management

### Capitals Impacted



### SDGs Linked



### GRI Linkage

GRI 204, GRI 308, GRI 414

### Commitments and Targets

**Quality Management, Environment and Safety Certification:** Achieve 100% coverage by 2025

**Environment Policy, Climate Action Plan, and Water Management Policy:** Achieve 100% coverage by 2025

**Continuously monitor and improve suppliers' ESG performance:** Implement a system by 2025

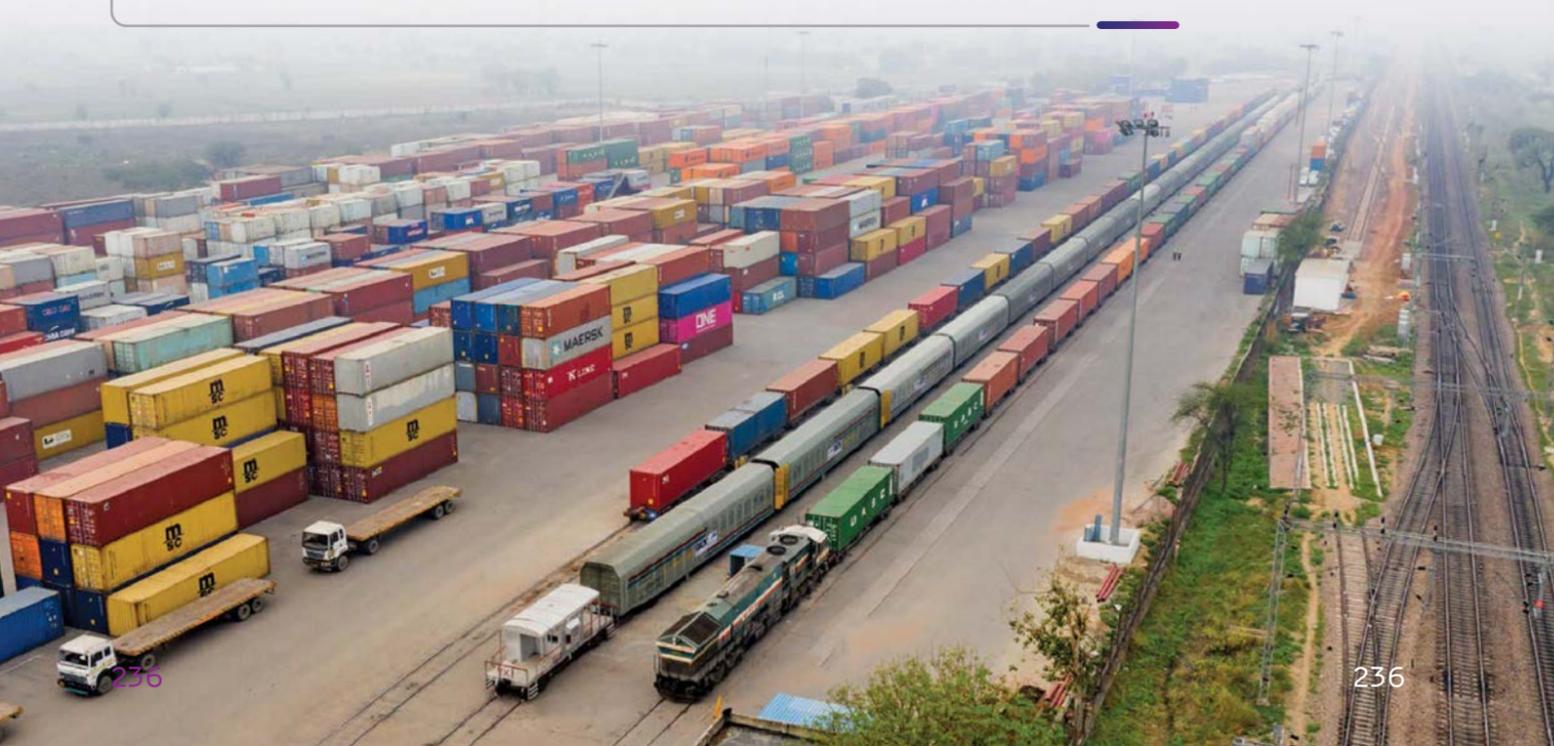
**Sustainability-based vendor ranking/ scoring system and its use in procurement decision-making:** Fully implemented by 2025

### Aspects of Supplier Screening

- Environmental
- Social
- Governance
- Business relevance

### Aspects of Supplier Risk Screening

- Sustainability risk matrix
- Country-specific risk
- Sector-specific risk
- Commodity-specific risk



## Our Strategy

APSEZ considers sustainable procurement as a core component of its strategy, understanding that the foundation of long-term success is built upon robust, beneficial partnerships with stakeholders. APSEZ meticulously selects suppliers who meet the rigorous cost and quality standards and demonstrate commitment to sustainability. The Company's procurement approach is based on a thorough risk management and compliance framework, which supports informed decision-making in both sourcing and contract

awards. Transparency is a critical aspect of our methodology, enhancing risk management, facilitating mitigation efforts, and promoting open dialogue with our suppliers.

APSEZ is dedicated to its Environmental, Health, and Safety Policy as well as its Human Rights Policy, urging suppliers to comply with its ESG criteria. Preference is given to suppliers certified with ISO 14001 and ISO 45001, and all must comply with the APSEZ Supplier Code of Conduct and Sustainable Procurement Policy.

To further motivate suppliers, APSEZ leverages procurement decisions as incentives. The Company is in the process of creating a vendor evaluation system that is deeply rooted in sustainability metrics, aiming to integrate this system across all procurement activities by 2025. With sustainability as a guiding principle in our procurement policies, APSEZ is committed to creating a sustainable future for itself and its partners.



## Our Procurement Policy and Supplier Code of Conduct

We regard our suppliers not just as vendors but as integral business partners crucial to our success. Our Supplier Code of Conduct and Procurement policy respects the principles of UN Global Compact, the fundamental conventions of the International Labor Organisation (ILO) and the United Nations' Universal Declaration of Human Rights as well as industry prevalent standards.

Our Supplier Code of Conduct is designed to ensure that our business dealings are conducted lawfully, ethically, and with a deep respect for human rights and environmental sustainability. This code is universally applicable to all our global suppliers, encompassing material suppliers, service providers, vendors, traders, agents, consultants, contractors, third parties, and their personnel. It mandates adherence to all relevant laws and regulations, champions equal employment opportunities, mandates safe and healthy work

environment, and stands firmly against any form of discrimination.

The cornerstone of our approach, the Sustainable Procurement Policy, is aimed at minimising our environmental footprint. This encompasses a commitment to reduce the use of harmful substances, conserve natural resources, decrease waste and emissions, and ensure the reusability and recyclability of products within our value chain. Additionally, it enforces strict prohibitions on child labour, adherence to fair wage laws, maintenance of safe working conditions, provision of clean accommodations for workers, and the eradication of discrimination in all forms.

We encourage our suppliers to adopt and implement these principles within their operations. Compliance with our Sustainable Procurement Policy is a requisite for all vendors, signified through their commitment to our Supplier

Code of Conduct. This enables us to foster a culture of sustainability and respect across our extended network of partners.

Our Supplier Code of Conduct and Sustainable Procurement Policy are available on our website and can be accessed from here.

### Supply Chain Due Diligence

Understanding the critical importance of sustainability and ethics in our supply chain, APSEZ has established a comprehensive due diligence process. This process meticulously evaluates our Tier 1, critical, and monopoly suppliers against a set of Environmental, Social, and Governance (ESG) criteria. Recognising that outsourcing operations extend beyond tasks to include responsibilities, risks, and opportunities, we are committed to enhancing adaptability while identifying and mitigating potential supply chain risks and dependencies.

### Our due diligence framework encompasses

- Supplier Assessment: Rigorous evaluation of suppliers based on ESG criteria to ensure alignment with our sustainability goals.
- Supplier Code of Conduct: Mandatory adherence to our code that outlines expectations for lawful, professional, and fair business practices.
- Supplier Onboarding and Training: Comprehensive orientation and ongoing education for suppliers to understand and integrate our sustainability standards.
- Monitoring and Reporting: Continuous oversight and evaluation of supplier performance to ensure compliance and progress towards shared sustainability objectives.
- Transparency and Communication: Open dialogue and clear communication channels with suppliers to foster mutual understanding and collaborative problem-solving.

### Supplier Environmental, Social, and Governance (ESG) Programme

APSEZ is dedicated to fostering an efficient and sustainable supply chain across our operations. Our Supplier ESG Programme is a testament to this commitment, encompassing a suite of actions and measures designed to identify, assess, and mitigate potential ESG risks, evaluate supplier performance, and implement corrective measures where necessary. The essential components of our Supplier ESG initiatives are as under:

#### Oversight of Supplier ESG Programme

The governance of our Supplier ESG Programme is carried out at the highest level, with the Corporate Responsibility Committee playing a pivotal role. This Committee is responsible for reporting directly to the Board about the state of the programme and its progress. This ensures that our ESG efforts are integrated into our corporate strategy and receive the necessary attention and resources.

### Continuous Review of Purchasing Practices

At APSEZ, we engage in a dynamic process of reviewing and refining our purchasing practices. This ongoing evaluation aims to ensure that our procurement activities are in harmony with our Supplier Code of Conduct and align with our ESG standards. Through periodic assessments, we scrutinise our suppliers' compliance with our established ESG criteria, promoting a supply chain that reflects our commitment to sustainability and ethical practices.

#### Minimum ESG Requirements and Exclusion of Non-Compliant Suppliers

We mandate that our suppliers meet specific minimum ESG requirements, encompassing environmental conservation, social responsibility, and strong governance. Suppliers who fail to meet the ESG criteria within a set period are subject to exclusion from our procurement activities. This underscores our dedication to upholding high ESG standards across our supply chain.

### Preference for Suppliers with Superior ESG Profiles

Our procurement strategy favours suppliers that demonstrate exceptional ESG practices. By assigning significant weightage to ESG criteria in the selection and contracting of suppliers, we acknowledge and reward those who contribute positively to environmental preservation, social well-being, and governance excellence. This approach not only incentivises high ESG performance but also aligns with our broader sustainability objectives.

### Training for Buyers and Internal Stakeholders

Recognising the crucial role of our buyers and internal stakeholders in the success of our Supplier ESG Programme, APSEZ provides comprehensive training to equip them with the necessary knowledge and skills. This training encompasses understanding the minimum ESG requirements, the process of supplier screening, and the overarching importance of sustainable procurement practices. By empowering our team with this knowledge, we ensure a cohesive and informed approach to integrating ESG principles into our procurement processes.

### Supplier Screening and Onboarding: Ensuring Sustainability and Reducing Risks

We diligently understand the complexities and potential risks within our supply chain. This understanding spans across various dimensions including global, environmental, social, financial, and business relevance factors. To effectively manage and mitigate these risks, APSEZ engages in a thorough supplier screening process, aiming to pinpoint

significant suppliers. This targeted approach allows us to focus our monitoring and risk management practices on suppliers that pose the greatest potential impact, thereby enhancing the overall resilience and sustainability of our supply chain.

### Vendor Registration and Onboarding: Creating a Stable Supplier Ecosystem

The establishment of a robust ecosystem of suppliers through efficient vendor registration and onboarding processes stands as a cornerstone of our strategy to mitigate risks associated with third-party engagements. This methodical approach is instrumental in reducing potential financial penalties and safeguarding our reputation by ensuring compliance with high standards of operation and ethics. To manage this critical aspect of our supply chain, APSEZ utilises a specialised web portal – comprising Contractor Safety Management and SAP Ariba – designed to streamline supplier management processes.

### Comprehensive Supplier Assessment

During the onboarding phase, APSEZ mandates the provision of essential information from all suppliers. This information encompasses a wide array of criteria, including compliance with labour legislation, the effectiveness of environmental management systems, quality control protocols, safety performance, organisational structure, business relevance, social responsibilities, and financial health. Such detailed insights are pivotal for evaluating the extent to which suppliers align with our Supplier Code of Conduct and our Sustainable Procurement Policy.

Suppliers undergo a rigorous evaluation process based on a set of predefined parameters, with

assessments conducted on a scale from 0 to 2. This grading system, intricately linked to each supplier's revenue details, enables a transparent and objective analysis of each supplier's performance and compatibility with our sustainability and ethical standards.

Grade	Criteria
O Grade	Less than 25 crore
B Grade	Between 25 and 50 crore
A Grade	More than 50 crore

### Enhancing Supplier Oversight

APSEZ prioritises rigorous supplier evaluation to uphold our supply chain's integrity and ethical standards. Our approach includes:

- Initial Rating and Annual Review: Suppliers are assessed upon onboarding through our web portal, with their performance reviewed annually to encourage continual improvement.
- Extended Evaluation Methods: Beyond portal data, we employ site visits, engagement surveys, collaborations with external agencies, and analysis of public information to gain a comprehensive understanding of our suppliers.
- Scoring System: Each supplier is scored on a 0 to 100% scale, reflecting their adherence to APSEZ's standards.

### Strategic Screening of Significant Suppliers

APSEZ adopts a meticulous approach to screening significant suppliers to ensure the resilience and integrity of its supply chain. This strategic screening process is designed to evaluate suppliers across multiple dimensions:

**Criteria for Screening:** The evaluation focuses on suppliers that are pivotal to our operations, including high-volume suppliers, essential component providers, and those in monopolistic positions, who are often irreplaceable due to their unique offerings.

**ESG Considerations:** Beyond operational criteria, ESG factors play a crucial role. Suppliers are assessed

Grade/Score	Above 85%	Between 60 and 85%	Below 60%
O Grade	Low Risk	Low Risk	Low Risk
B Grade	Low Risk	Medium Risk	Medium Risk
A Grade	Low Risk	High Risk	High Risk

on their ESG performance, including their past actions and commitments towards managing ESG risks. This evaluation also extends to understanding the broader impacts associated with potential risks, such as environmental degradation, social inequity, or governance failures, that could arise from the geographical, sectoral, or commodity-specific contexts in which they operate.

**Sustainability Risk Matrix:** To effectively categorise suppliers, APSEZ utilises a sustainability risk matrix. This tool allows for a nuanced assessment of suppliers by assigning ESG parameter evaluation scores and grades. It aids in identifying suppliers that may pose significant sustainability risks or have outstanding sustainability practices.

## Supplier Assessment and Development at APSEZ

### Pre-qualification and risk assessment

Suppliers are classified into tiers to streamline engagement, with Tier 1 suppliers receiving special attention. A dedicated team evaluates potential suppliers based on pre-qualification criteria, including ESG, HR, and techno-commercial aspects.

### On-boarding

Vendor onboarding is deemed crucial for mitigating third-party concerns. Suppliers are required to adhere to APSEZ's Supplier Code of Conduct and Sustainable Procurement Policy. Prospective suppliers undergo screening based on quality parameters, manpower availability, audit experience, and compliance with environmental and social norms.

### Preliminary audit

APSEZ implements procurement guidelines and specifications for vendors to minimise environmental and social impacts of projects. The company conducts on-site assessments carried out by its employees, and regular audits are performed

to ensure compliance with third-party collaboration, quality, environmental, safety, and social standards. These third-party on-site audits involve inspections at supplier production sites and factory inspections covering all levels of hierarchy.

### Risk assessment and due diligence

APSEZ prioritises engagement with key stakeholders to promote safe and environmentally friendly practices throughout the operational life cycle. Supplier ESG performance is assessed through an integrated scorecard, with attributes weighted to emphasise critical ESG parameters. Safety and compliance hold a 10% weightage, with the remaining weight assigned to overall performance, including other ESG criteria. Suppliers must maintain a minimum score of 90, with scores updated monthly.

### Corrective action and continuous improvement

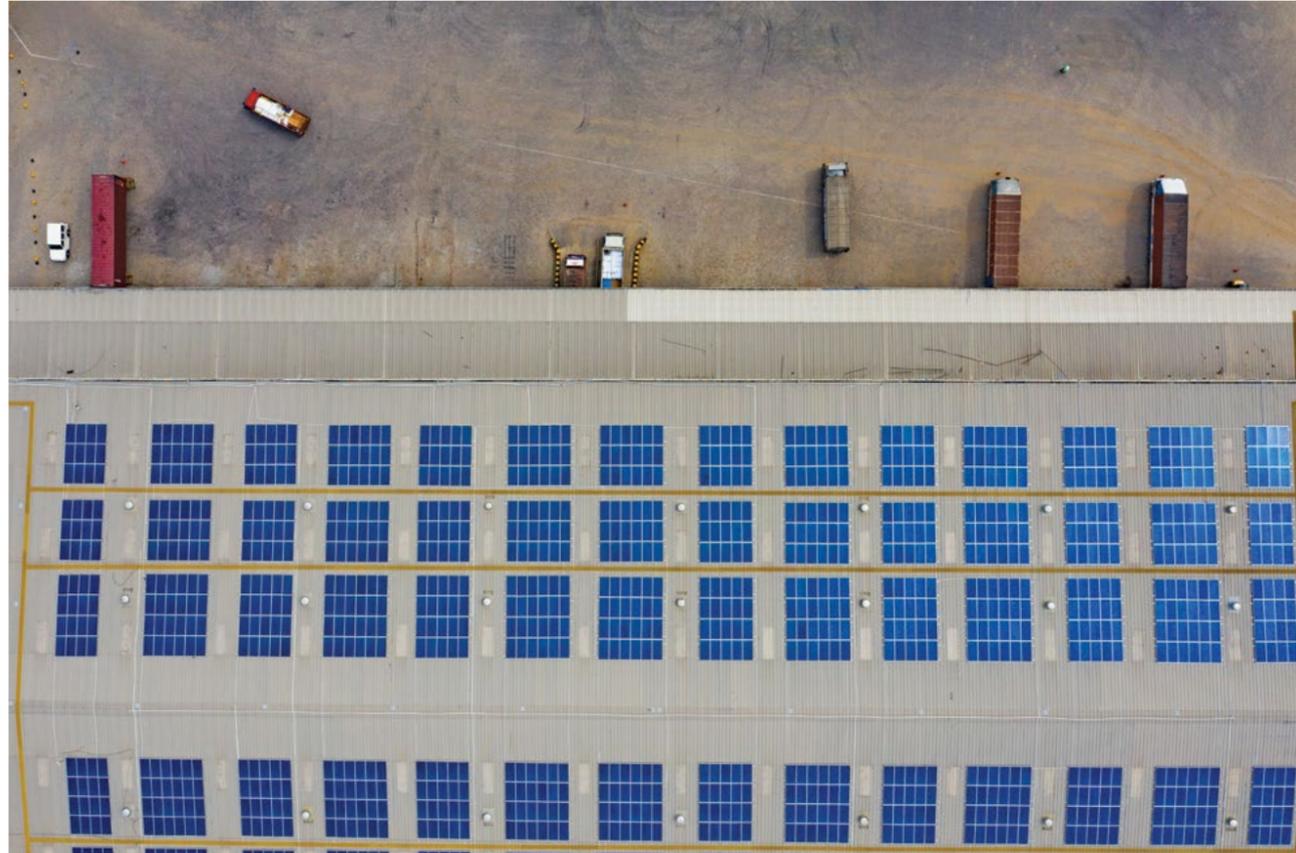
- The ESG team and purchasing team analyse audit/self-assessment results to identify sustainability

deficiencies. APSEZ collaborates with suppliers to devise, and offer technical support for implementing the corrective action plans, fostering procurement sustainability and continuous improvement. Persistent non-compliance may result in supplier termination or non-renewal. High-risk sustainability-critical suppliers must furnish mitigation plans within an agreed timeframe, followed by regular follow-ups and performance reviews until re-assessment and re-audit.

- Benchmarking our suppliers' ESG metrics against their peers is a critical step in advancing our sustainable supply chain. We are working towards establishing systems that will enable our supplier good visibility on the ESG performance of the peer group.

### Re-assessment/Re-audit

Periodic re-assessments and re-audits are conducted to monitor supplier performance progress, ensuring a continuous improvement cycle involving evaluation, analysis, and corrective measures.



### Supplier Assessment: Enhancing Supply Chain Resilience

At APSEZ, responsible sourcing is integral to our strategic risk management and compliance framework. We've established a rigorous six-step responsible sourcing protocol that initiates with vendor onboarding and evolves into a continuous cycle of assessment, analysis, and improvement. This approach strengthens our partnerships, bolsters supply chain resilience, and optimises investment returns.

In addition to our sourcing protocol, APSEZ undertakes an in-depth ESG assessment for significant suppliers. Our dedicated ESG team

conducts detailed desk reviews, analysing environmental impacts, social responsibility efforts, and governance practices based on documents, reports, certifications, and supplier-provided data. This annual ESG review ensures that significant suppliers meet our sustainability objectives and uphold the highest standards of environmental care, social responsibility, and governance.

### Supplier Development: Fostering Sustainable Growth

Recognising the critical role of suppliers in achieving our sustainability goals, APSEZ actively engages in supplier management to elevate their sustainability

performance. We provide training programmes and engage in joint projects to catalyse positive change throughout our value chain. Maintaining transparency and adherence to our policies and frameworks underscores our commitment to integrity and trust.

To further enhance supplier engagement, APSEZ leverages various platforms, including annual vendor meetings and comprehensive supplier audits and surveys. These initiatives ensure that our suppliers operate ethically and comply with our Supplier Code of Conduct, thereby reducing risks for all parties involved and maintaining our competitive advantage.

## Supplier Development Initiatives

APSEZ is committed to fostering a culture of safety, sustainability, and responsible business practices among its suppliers through targeted development initiatives. These programmes are designed to educate and align our suppliers with APSEZ's core values and operational standards.

### Suraksha Samvad: Promoting Safety Culture

The Suraksha Samvad initiative involves comprehensive safety sessions with key contractors on-site, aimed at instilling a robust safety culture and raising awareness about APSEZ's safety and environmental policies. These sessions address various critical topics such as the Adani safety culture, environmental practices, the Contractor Safety Management (CSM) portal, and supplier grievances, ensuring our suppliers are well-versed in safety and environmental requirements during project execution.

### Sampark: Aligning Visions and Practices

Under the Sampark initiative, a series of interactive sessions were conducted to share the leadership's vision on essential aspects like labour practices, safety, human resources, industrial relations, human rights, and sustainability. In FY 2023-24, ten sessions with key suppliers covered the Supplier Code of Conduct, compliance significance, ESG goals, HR and IR requirements, and safety protocols. Sampark aims to strengthen relationships, enhance transparency, and encourage collaboration by aligning our suppliers with our overarching vision and goals.



**ESG Awareness Session: Enhancing Sustainability Understanding**

To emphasise the importance of ESG principles, the ESG team at APSEZ hosted an ESG Awareness Session for significant suppliers. This session focused on the critical role of ESG in business operations, policy commitments, management systems such as ISO certifications, and provided technical knowledge to boost the ESG performance of our suppliers. This session was conducted remotely and saw participation from over 60 significant suppliers, demonstrating our proactive approach to promoting responsible business practices.

**Supplier Engagement Survey: Strengthening Collaborative Ties**

APSEZ utilises the Supplier Engagement Survey to assess and improve relationships with suppliers. This tool collects feedback on various aspects like service quality, timelines, cost, and payments, allowing us to measure supplier satisfaction, pinpoint improvement areas, and fortify collaboration. Additionally, the survey gathers information on compliance in critical areas such as climate change, human rights, carbon reduction, water conservation, commitments to the United Nations Global Compact (UNGC), and environmental protection.

**Local procurement**

**75%**

procured from India

**54%**

procured from state

**30%**

procured from same district

**Supplier Assessment & Development**

Type	UOM	FY24
Total number of Tier - 1 suppliers	NO	5,805
Total number of significant suppliers in Tier - 1	NO	272
% Of total spend on Significant suppliers in Tier - 1	%	75%
Total number of significant suppliers in non Tier - 1	NO	0
Total number of significant suppliers (Tier - 1 and non Tier- 1)	NO	272
Total Number of Non significant suppliers in Tier-1	NO	5,533
Total number of suppliers assessed via desk assessments/on-site assessments,	NO	2,378
% of significant suppliers assessed,	%	100%
Number of suppliers assessed with substantial actual/potential negative impacts,	NO	19
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan,	%	100
Number of suppliers with substantial actual/potential negative impacts that were terminated,	NO	0
Total number of suppliers supported in corrective action plan implementation	NO	134
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	%	100
Total number of suppliers in capacity building programs,	NO	100

**GOVERNANCE**

**Governance: Steering Adani Ports with Integrity**

In the dynamic arena of ports and logistics, Adani Ports plays a pivotal role in addressing key national imperatives such as economic expansion, employment generation, regional prosperity, environmental stewardship, and community welfare. Our governance architecture is designed to fulfil these responsibilities with a strategic and ethical blueprint that ensures disciplined risk management, procedural adherence, and a steadfast focus on stakeholders. It also drives our continuous advancement in financial and operational metrics, an unshakable dedication to safety, environmental consciousness, transparent business practices, and a commitment to delivering shareholder value.

At Adani Ports, we're committed to a robust corporate governance structure that aligns with the enduring interests of our stakeholders. We navigate our course with a compass of integrity, impartiality, clarity, accountability, and deep-rooted adherence to our fundamental values.



### Key Highlights

**Number of Board Meetings Held: 10 meetings**

**Board Diversity Ratio: 10% diversity on the Board (gender)**

**Human Rights Training Completion Rate: 78% of employees completed human rights training**

**Stakeholder Engagement Sessions: 14 engagement sessions conducted with suppliers and customers for ESG awareness & survey**

**Employee Compensation Alignment: 30% alignment of pays with organisation performance**

**Shareholder Meeting Participation: 2 meetings (AGM and extraordinary general meeting) in which shareholders participated in voting**

**Cybersecurity Incidents: Number of cybersecurity incidents reported: Zero**

### Material Topics Impacted

- ESG Compliance
- Risk Management
- Investor Relations
- IT and Cybersecurity
- Technology & Innovation
- Accountability and Transparency
- Cost of Living Crisis

### SDGs Linked



### GRI Linkage

GRI 2-11, 12, 13, 14, 15, 16, 17, 18, 19, 20 & 21,

GRI 205, GRI 206, GRI 405, GRI 415

### Capitals Impacted



### Our corporate governance philosophy

**Courage:** We shall embrace new ideas and businesses

**Trust:** We shall believe in our employees and other stakeholders

**Commitment:** We shall stand by our promises and adhere to a high standard of business

## Corporate Governance Framework at APSEZ

At APSEZ, the foundation of our corporate governance standards is firmly held by the Board of Directors. This eminent group acts as the cornerstone, significantly influencing the direction, integrity, and accountability of our governance practices. Our governance framework is designed meticulously to foster a systematic approach for setting ambitions, overseeing performance, and managing risks adeptly.

Central to our governance structure, the Board of Directors is entrusted with the crucial task of endorsing key elements that shape our company's identity and strategic direction. This encompasses APSEZ's policies, core values, mission, vision, overarching strategies, objectives, and performance targets. In executing its responsibilities, the Board is supported by an array of specialised committees, each focused on a particular aspect of governance to ensure comprehensive oversight and effective management.

**Audit Committee:** Ensures the integrity of financial statements and compliance with legal and regulatory requirements and internal controls.

**Nomination and Remuneration Committee:** Oversees Board and executive appointments and their compensation, fostering leadership and fairness.

**Stakeholders' Relationship Committee:** Manages and nurtures the relationships with various stakeholders, ensuring their concerns are addressed.

**Corporate Responsibility Committee:** Drives sustainable practices and ESG targets and goals.

**Corporate Social Responsibility Committee:** Drives ethical business practices and community engagement initiatives, reflecting our commitment to social responsibility.

**Information Technology & Data Security Committee:** Safeguards digital assets, ensuring the security and integrity of data and IT systems.

**Risk Management Committee:** Identifies, evaluates, and mitigates risks, ensuring robust risk management practices.

**Merger & Acquisitions Committee:** Guides strategic mergers, acquisitions, and partnerships, fostering growth and expansion.

**Legal, Regulatory & Tax Committee:** Manages legal, regulatory, and tax affairs, ensuring compliance and mitigating legal risks.

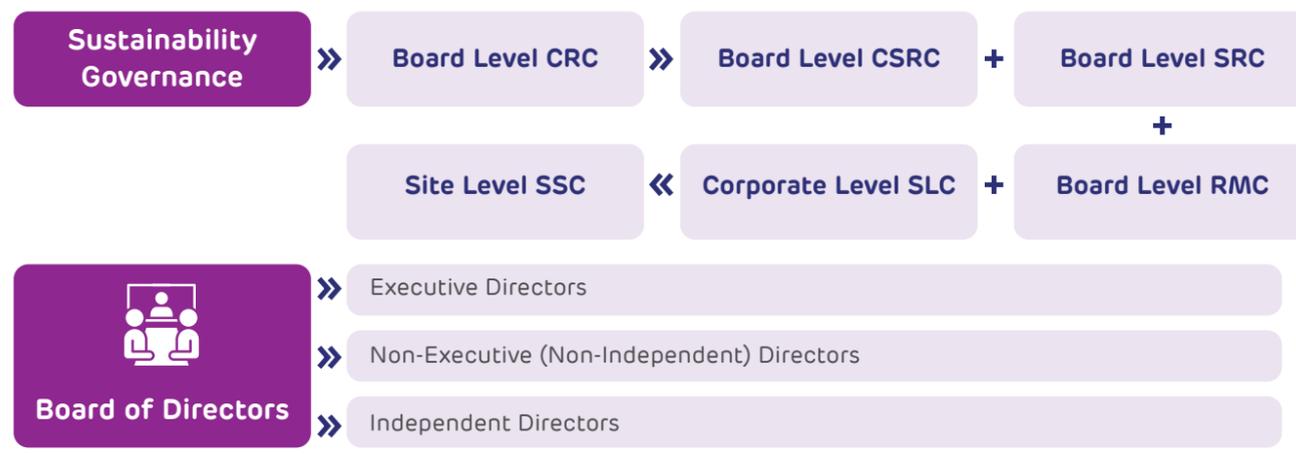
**Reputation Risk Committee:** Protects and enhances the company's reputation, addressing risks that could impact stakeholders' perception.

Through this structured governance framework, APSEZ is committed to upholding high standards of corporate governance, ensuring transparency, accountability, and sustainable growth for the benefit of all stakeholders.

NAME OF THE DIRECTOR	Statutory Committee				
	Audit Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Nomination & Remuneration Committee	Risk Management Committee
Mr Gautam S. Adani					
Mr Rajesh S. Adani					
Mr Karan Adani		Member	Member		Member
Mr Ashwani Gupta					
Mr G. K. Pillai	Chairman	Member	Member	Member	Chairman
Prof G. Raghuram	Member	Chairman	Chairman	Member	
Mr P. S. Jayakumar	Member			Chairman	
Mr Bharat Sheth					Member
Mr Rajkumar Beniwal, IAS					
Mrs M.V. Bhanumathi					

NAME OF THE DIRECTOR	Non-Statutory Committee					CATEGORY	No. of other mandates* of the board of directors
	Information Technology & Data Security Committee	Corporate Responsibility Committee	Reputation Risk Committee	M&A Committee	Legal, Regulatory & Tax Committee		
Mr Gautam S. Adani						Chairman, Executive Director	6
Mr Rajesh S. Adani						Non-Executive Non-Independent Director	4
Mr Karan Adani			Member	Member	Member	Managing Director, Executive Director	2
Mr Ashwani Gupta						Whole Time Director & CEO, Executive Director	0
Mr G. K. Pillai	Member	Member		Member		Non-Executive Independent Director	1
Prof G. Raghuram	Member	Chairman	Member		Chairman	Non-Executive Independent Director	1
Mr P. S. Jayakumar	Chairman	Member		Chairman	Member	Non-Executive Independent Director	3
Mr Bharat Sheth			Chairman			Non-Executive Independent Director	1
Mr Rajkumar Beniwal, IAS						Non-Executive Non-Independent Director	1
Mrs M.V. Bhanumathi						Non-Executive Independent Director	0

\*Other mandates means other publicly listed companies



## Code of Conduct and Ethics Framework

APSEZ stands firmly committed to the highest standards of ethical conduct. Our Board has instituted a robust Code of Business Conduct and Ethics that applies universally to all Board Members and Senior Management personnel. The essence of our ethical framework is encapsulated in this Code, which is readily available for review on the company's website at [www.adaniports.com](http://www.adaniports.com).

Every individual at the level of Board Member and Senior Management has committed to this Code, thereby affirming their compliance. In parallel, a tailored code exists specifically for Independent Directors, ensuring their responsibilities are in full harmony with statutory guidelines. All Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct.

The Code of Conduct at APSEZ serves as a vigilant internal compass, directing business practices and advising on ethical quandaries, including but not limited to issues of corruption, bribery, and gender-related concerns. Our commitment extends beyond mere policy; it is ingrained in our culture to safeguard our esteemed reputation. Compliance to Code of Conduct is part of remuneration and appraisal system.

Our governance includes the innovative 'Legatrix' – an IT-powered compliance management tool. This system not only oversees adherence to laws and internal guidelines but also functions as a comprehensive repository, with real-time dashboards that monitor compliance across the board including compliance to code of conduct.

APSEZ follows a zero-tolerance approach towards bribery, corruption, unethical practices, and breaches of professional integrity. Regular risk assessments are conducted to identify and mitigate potential vulnerabilities. Operating guidelines address essential aspects such as record-keeping, approval procedures, and appropriate behaviour to ensure transparency and accountability.

In the financial year 2023-24, we proudly report zero incidents of corruption or bribery, evidencing our staunch audit and compliance-focused ethos. Each year, our employees participate in the annual signoff of the Bribery and Corruption policy. This commitment is reinforced through training and awareness sessions, ensuring that ethical standards remain at the forefront of our organisation.

Adhering to our transparent policies, APSEZ does not engage in political contributions without the express consent of the Board of Directors. Company is committed to disclose its political donations and it's noteworthy that in the fiscal year 2023-24, the company abstained from all political donations.

### Reporting Breaches: Code of Conduct and Ethics Benchmarks

To maintain transparency and uphold our accountability, we provide a report on the breaches of conduct within the fiscal year:

Reporting Areas	Number of Breaches in FY 2023-24
Corruption or Bribery	00
Discrimination or Harassment	00
Data Privacy Breaches/ Cybersecurity Breaches	00
Conflicts of Interest	00
Insider Trading	00*
Money Laundering	00
Anti-Competitive Behaviour	00

\*None except minor volume violation by junior employees has not been taken into consideration.

Our unblemished record in these areas reflects the unwavering dedication of APSEZ to maintain an environment of integrity and trust, underscoring our commitment to corporate ethics and responsible governance.

## Board Composition and Structure Overview

The APSEZ Board is consciously structured to foster a dynamic balance, consisting of Executive, Non-Executive, and Independent Directors. Each member is selected to contribute a wealth of diversity, skills, knowledge, and experience. This rich tapestry of professional backgrounds empowers the Board, enhancing our corporate ethos and informing strategic decision-making with depth and breadth of insight.

In compliance with the mandates of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, our Board's composition is meticulously aligned with regulatory standards. We adhere strictly to these norms to uphold the principles of effective corporate governance.

As on May 2, 2024, the Board at APSEZ is characterised by a one-tier system comprising ten distinguished members. This includes a trio of Executive Directors, two of Non-Executive Non-Independent Directors, and a five of Independent Directors.

Embracing the ethos of inclusivity, APSEZ places a significant emphasis on gender diversity. It is a cornerstone of our commitment to promoting equal representation across all strata of our organisation, beginning with our leadership. Our active efforts to bridge the gender gap are reflected in our current Board, which includes one female Director.

Board Type  
**One Tier System**

No. of Executive directors  
**3**

No. of Independent directors  
**5**

No. of other non-executive directors  
**2**

Total Board size  
**10**

Board Diversity (% of women in BOD)  
**10%**

Target share of independent directors (%)  
**50**

No. of Board meetings  
**10**

No. of total committee meetings  
**34**

No. of independent director's meetings  
**1**

Average Board meeting attendance (for the directors as on date)  
**86**

% of minimum attendance for all members  
**25%**

No. of non-executive, independent directors with 4 or less other mandates

**5**  
(Prof G. Raghuram, Mr G.K. Pillai, Mr Bharat Sheth, Mrs M.V. Bhanumathi and Mr P.S. Jayakumar)

No. of other mandates for non-executive, independent directors restricted

**7 (as per SEBI)**

The average tenure of Board members in years

**9.2**

No. of independent or non-executive members with industry experience

**5**

Median annual compensation of all employees

**9.28 lakhs**

CEO to employee pay ratio

**33.62:1**

## Structure of CEO Compensation

The Chief Executive Officer's (CEO) compensation structure has three components: a fixed salary, a variable pay and a long-term incentive. This remuneration aligns well with the business size and complexity. The variable pay and long-term incentive are linked to both financial and ESG indicators, which include Total Shareholder Return, Revenue, EBITDA, ROCE, Health & Safety metrics, Human Rights parameters, Energy Intensity, GHG Intensity, Water Intensity, Zero Waste to Landfill (ZWL), and Mangrove Afforestation. The Nomination & Remuneration Committee (NRC) recommends the remuneration of Executive Directors to the Board of Directors for approval.

Name of Directors	Board Industry Experience										
	GICS Level 1 sectors experience/expertise										
	Energy	Materials	Industrials	Consumer Discretionary	Consumer Staples	Healthcare	Financials	Information Technology	Communication Services	Utilities	Real Estate
Mr Gautam S. Adani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr Rajesh S. Adani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr Karan Adani	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Mr Ashwani Gupta	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Mr G. K. Pillai	✓	✓	✓	✓	✓	✓		✓		✓	
Prof G. Raghuram	✓			✓	✓			✓	✓	✓	
Mr P. S. Jayakumar			✓				✓	✓			✓
Mr Bharat Sheth	✓	✓	✓				✓	✓			
Mr Rajkumar Beniwal, IAS	✓	✓	✓				✓	✓		✓	
Mrs M. V. Bhanumathi			✓	✓			✓	✓	✓		

Note: The aforesaid skill sets are Global Industry Classification Standard and are different from the skillsets mentioned in the Corporate Governance Report

## Board Performance Evaluation & Familiarisation

### Board Performance Evaluation

Internal Evaluation Process: The Nomination and Remuneration Committee has devised a performance evaluation criterion for the Board, various committees and individual directors, for their regular self-assessment.

External Evaluation Process: APSEZ is committed to refining its governance protocols and, to this end, engages in an annual external review of the Board's performance (independent assessment).

For the fiscal period concluding on March 31, 2024, the evaluation was conducted by Talentonic HR Solutions, a distinguished third-party organisation. This comprehensive review delved into the nuanced dynamics of the Board, scrutinising aspects such as Board composition, strategic participation, quality of discourse, leadership efficacy, and overall organisational vitality. The evaluation method encompassed thorough discussions with all Board members, supplemented by a robust effectiveness assessment questionnaire and focused dialogues on pivotal topics. Subsequent to the

review, the findings were deliberated upon by the Board, culminating in consensus-driven initiatives aimed at fortifying Board performance.

### Board Familiarisation Programme

Induction and Ongoing Education: APSEZ offers an extensive orientation and ongoing education programme for incoming Board members, aiming to embed them seamlessly into the organisational fabric. This initiative provides a panoramic view of the Adani Group's ethos, APSEZ's historical evolution, critical achievements, structural intricacies, business

modalities, and operational arenas. Additionally, the programme imparts specialised risk management instruction, thus equipping Board members with a deep understanding of the company's strategic objectives and risk mitigation frameworks. Detailed insights into this programme are accessible at Directors-Familiarisation-Programme on our website.

The synergy of these assessment and familiarisation endeavours ensures that the Board's functions are both reflective and forward-looking, maintaining APSEZ's trajectory towards excellence in governance and business leadership.

## Board Election Process

The Nomination and Remuneration Committee nominates the Board members. At the designated meeting, the full Board votes on nominated nominee. Based on the recommendations of the Nomination and Remuneration Committee, the Board takes the decision and Board members are appointed accordingly.

Independent Board members are eligible for re-election after their initial five-year terms as per Indian regulations.

## Board Independence

At our company, the role and definition of Independent Directors are in strict compliance with the mandates of Section 149(6) of the Companies Act, 2013, and aligned with the guidelines set forth by the SEBI Listing Regulations. These criteria are foundational to our corporate governance framework, ensuring that Independent Directors uphold the highest levels of integrity and bring relevant expertise to their role without the encumbrance of conflicting interests. The key conditions stipulated for Independent Directors are:

- 1. Integrity and Expertise:** Each Independent Director must exhibit unimpeachable integrity and possess the relevant expertise and experience, as appraised by the Board of Directors.
- 2. Independence from Management:** Independent Directors must maintain their independence from the company's management team, its promoters, and not be associated with the holding, subsidiary, or associate companies.
- 3. Financial Independence:** Independent Directors are to avoid engaging in any pecuniary relationship with the company, its promoters, directors, or their relatives, which may exceed certain established thresholds.

- 4. Employment Restriction:** It is imperative that Independent Directors, within the last three financial years, have not held any key managerial roles or been employed by the company or any of its affiliates.
- 5. Professional Non-Affiliation:** Independent Directors should not have any ties with legal or consulting firms that have significant dealings with the company or its affiliates.
- 6. Auditor and Secretary Independence:** Independent Directors should not be connected with firms of auditors or company secretaries in practice or cost auditors that serve the company or its affiliates.
- 7. Prohibition of Personal Benefits:** Neither the Independent Directors nor their family members may accept, or have in the past accepted, any payments from the company or its affiliates that exceed certain prescribed limits.

These stringent requirements serve as the backbone for ensuring the autonomy, objectivity, and ethical standing of our Independent Directors, thus reinforcing effective corporate governance and protecting the interests of all our stakeholders.

## Grievance Redressal System

At our organisation, we maintain a Grievance Management System (GMS) that exemplifies transparency and efficacy. This system provides a streamlined channel for stakeholders to voice and rectify their concerns. Through a dedicated email address or a direct phone line, stakeholders initiate a structured process that swiftly directs their case to the appropriate party for resolution. Our GMS utilises advanced technology to ensure each grievance is addressed with accountability and resolved within a stipulated timeframe of 14 days, thus reinforcing our bond of trust with stakeholders.

Beyond the GMS, we cultivate an environment where open communication is valued and promoted. Our Speak-Up system is an embodiment of this ethos, offering employees a confidential avenue to express

their issues. This proactive approach is complemented by the vigilance of our Grievance Redressal Committee (GRC), which works diligently to ensure concerns are addressed expediently and effectively.

We further encourage the use of traditional grievance mechanisms such as registers, suggestion boxes, and direct communication with supervisors. These channels are integral to our inclusive approach, underlining our pledge to ensure every voice is heard and every concern is given due consideration.

Our commitment to grievance redressal is not just a policy but a practice that encompasses everyone connected with our organisation. We are steadfast in our pursuit of transparency and equity, guaranteeing that all grievances, irrespective of their nature, are managed with the utmost respect and discretion.

## Advocacy and Leadership at APSEZ

As a prominent industry leader, APSEZ plays a crucial role in shaping national policy development for the greater common good. The company actively engages in sector-specific public open consultations whenever invited. Additionally, APSEZ participates in regional and national policy dialogues through trade associations and other relevant social bodies.

Our lobbying initiatives focus on promoting sustainable practices, enhancing infrastructure, and fostering economic growth. Through strategic advocacy, we collaborate with policymakers, industry associations, and relevant stakeholders to shape legislation and regulations that benefit both our business and the broader community.

Understanding the importance of staying abreast with governmental policy shifts, regulatory landscapes, and societal expectations, we have instituted a thorough process to pinpoint, evaluate, and prioritise subjects that matter. Our approach is holistic, considering a spectrum of Environmental, Social, and Governance (ESG) concerns. This includes securing environmental clearances, strategies for climate action, advancing port development, optimising resource use, addressing marine pollution, and safeguarding biodiversity.

By integrating advocacy and leadership in our operational ethos, APSEZ demonstrates not only our commitment to industry excellence but also our

dedication to the sustainable progress and wellbeing of the broader community.

### Governance Framework & Management System for Policy Advocacy

- 1. Cross-Functional Collaboration:** Input requests on policy matters flow from diverse cross-functional teams to the Head of ESG.
- 2. Policy Positioning:** The ESG Head is responsible for developing and implementing policy stances on all critical issues.
- 3. Alignment and Approval:** There's a rigorous examination to ensure that the policy subject aligns with APSEZ's goals before it is presented for the CEO's approval.
- 4. CEO Oversight:** At the Board level, the CEO supervises the advocacy strategies and provides the final approval for policy advocacy activities.
- 5. Management-Level Planning:** The ESG Head crafts strategies and action plans for policy engagements and interactions with trade associations.
- 6. Site-Level Execution:** Department heads at the site level are instrumental in steering project executions and advancing initiatives towards net-zero emissions.

## Review & Monitoring

The Corporate Responsibility Committee undertakes quarterly assessments of the policy advocacy endeavours and the steps taken. Discrepancies between trade associations' advocacy work and our commitments are identified by the ESG Head, who also orchestrates the necessary corrective measures.

## Framework for Addressing Misalignments

- **Identification:** Continuous monitoring of trade association activities is essential to spot deviations from the objectives outlined in the Paris Agreement.
- **Analysis:** We evaluate the degree of misalignment and its potential impact on APSEZ's climate commitments.
- **Communication:** Direct dialogues with trade associations are initiated to discuss concerns and highlight the necessity for congruence with our climate goals.
- **Collaboration:** We partner with trade associations to remedy any misalignments and co-create joint initiatives.
- **Continuous Improvement:** Strategies are fine-tuned in response to feedback and evolving climate priorities, ensuring sustained alignment with our climate objectives.

### Policy Engagement on Climate Issues in FY 2023-24

Our commitment to the global climate movement is unwavering. As advocates for the objectives set by the Paris Agreement, we align our actions with India's national climate commitments, striving to exceed these goals well before the deadlines of India's Nationally Determined Contributions (NDC). In FY 2023-24, APSEZ took a proactive stance, engaging in various consultations and supporting initiatives that further the Government of India's agenda on climate change.

### Global Indian Maritime Summit-2023

APSEZ attendant 3<sup>rd</sup> edition of Global Indian Maritime Summit (GIMS) 2023 in Mumbai. The honourable Prime Minister inaugurated the event and unveiled "Amrit Kaal vision 2047" a blueprint for the maritime blue economy. Adani Harbour Services Ltd. had a presence in the centre pavilion of the summit.

## Industry Associations

APSEZ leverages its leadership role by participating in advocacy through prominent industry associations:

- **Confederation of Indian Industry (CII):** A leading voice for policy advocacy and sustainable business practices.
- **World Economic Forum (WEF):** Collaborating on global agendas for economic development and environmental stewardship.
- **Federation of Indian Export Organisations (FIEO):** Addressing the impacts of climate policies on trade and exports.
- **Federation of Indian Chamber of Commerce and Industry (FICCI):** Engaging in dialogues for business resilience and climate advocacy.
- **The Associated Chambers of Commerce and Industry of India (ASSOCHAM):** Shaping the narrative on sustainable growth in Indian industries.
- **Ahmedabad Management Association (AMA):** Strengthening management practices for climate action.
- **Gujarat Chamber of Commerce and Industry (GCCI):** Encouraging regional enterprises towards eco-friendly operations.
- **Federation of Kutch Industries (FKI):** Focusing on sustainable industrial development in the Kutch region.
- **Hazira Area Industries Association (HAIA):** Promoting responsible industrial activities in the Hazira region.
- **Southern Gujarat Chamber of Commerce & Industries (SGCCI):** Supporting industries in Southern Gujarat to adopt green policies.
- **Gujarat Safety Council – Vadodara (GSC):** Advocating for environmental safety in industrial practices.
- **National Safety Council – Mumbai (NSC):** Fostering national initiatives on workplace safety and environmental care.
- **Industrial Waste Management Association, Chennai (IWMA):** Pioneering the safe and sustainable disposal of industrial waste.

## Principles Subscription

Our commitment extends to international principles, where we are proud members/signatory to the following initiatives:

- **United Nations Global Compact (UNGC):** Upholding principles of human rights, environment and ethical business on a global scale.
- **India Business & Biodiversity Initiative (IBBI):** Aligning business operations with biodiversity conservation and ecosystem services.
- **IUCN - Leaders for Nature (Lfn), India:** Collaborating with conservation leaders to integrate biodiversity into business strategies.

Through these memberships and subscriptions, we affirm our dedication to being at the forefront of the transition towards a sustainable and low-carbon economy.

DIGITALISATION AND CYBER SECURITY

# Navigating Digitalisation with Enhanced Cybersecurity

In the era of rapid digital transformation, Adani Ports and Special Economic Zone Limited (APSEZ) embraces the integration of advanced technology into our business operations, recognising the cybersecurity threats associated with this shift. The transition to remote work, necessitated by global challenges such as the COVID-19 pandemic, has underscored the vulnerability of cybersecurity, with an alarming surge in cyber incidents like ransomware attacks.

Digitalisation at APSEZ extends beyond mere automation, incorporating data simulation and manipulation to achieve enhanced outcomes. We are committed to continual technological advancement, enabling us to anticipate and adapt to market shifts, competitive opportunities, and customer demands promptly. Our strategic technology investments aim to reduce costs, provide real-time data, support informed decision-making, streamline workflows, bolster information security, and facilitate secure remote working options for our employees.



### Key Highlights

- Implementation of Advanced Digital Logistics Systems
- Enhanced Cybersecurity Measures for Operational Technology
- Deployment of IoT for Real-Time Monitoring
- Integration of Blockchain for Secure and Transparent Transactions
- Initiatives for Enhancing Digital Literacy and Skills Among Employees

### Material Topics Impacted

- IT and cybersecurity

### GRI Linkage

GRI 416, GRI 418

### SDGs Linked



### Capitals Impacted



## Cybersecurity & Privacy Governance

To address and manage the complexities of cyber risks, APSEZ has instituted a comprehensive Cybersecurity Policy ensuring the safeguarding of IT and business domains against cyber threats. We are dedicated to fortifying our cybersecurity framework and reducing our risk exposure through a structured governance framework, which includes monitoring mechanisms and stringent reviews.

Key to our governance structure is the Information Technology & Data Security (IT & DS) Committee, established at the Board level and comprising exclusively of Independent Directors. As of March 31, 2024, the Committee includes three distinguished Independent Directors, chaired by Mr P.S. Jayakumar. Mr Jayakumar is acknowledged as the first

thoroughbred private banker to head a state-run bank, Jayakumar is credited for successfully steering the bank's transformation journey across all aspects – business, digital and technology, compliance and controls, organisation and people. His extensive experience and leadership significantly contribute to the strategic direction of APSEZ's cybersecurity initiatives. The IT & DS committee is responsible for overseeing and protecting APSEZ's information technology usage and reviewing the policies, plans and programmes related to enterprise cybersecurity, privacy and data protection risks associated with the Company and its IT infrastructure.

The Group Chief Information Security Officer (GCISO) and Head Cyber Security are responsible for ensuring compliance of the

Privacy Policy. At the Board level, the IT & DS Committee supervises and reviews the implementation of Cybersecurity matters.

Details regarding the IT & DS Committee's charter are accessible on our website from the following link

The operational oversight of IT, digitalisation, and cybersecurity is entrusted to the Chief Digital Officer (CDO), who reports directly to the CEO. This central role is supported by a dedicated team that collaborates across the Adani Group, ensuring a unified approach to managing digital and cybersecurity functions effectively. Through these measures, APSEZ is committed to maintaining the highest standards of digital security and operational excellence in the face of evolving cyber threats.

## Cyber Risk Management Strategy

In the rapidly evolving digital landscape, cybersecurity risks stand as a prominent threat to organisational integrity and operational continuity. Recognising this, the role of the Risk Management Committee is critical; it entails the continuous monitoring and revisiting of the company's risk management strategies. It focuses on identifying, evaluating (both qualitatively and quantitatively), analysing, and effectively managing current and anticipated cybersecurity risks. Our framework for cyber risk assessment is meticulously aligned with the Information Security Management System (ISO 27001) standards, ensuring seamless integration with our broader enterprise risk management initiatives.

### Cybersecurity Infrastructure and Processes at APSEZ

At APSEZ, our commitment to minimising cybersecurity vulnerabilities is unwavering. We have instituted a comprehensive IT security plan that incorporates business continuity strategies, including redundancy and high availability across various levels. A pivotal element of our cybersecurity initiative is the implementation of ISO 27001:2013 – Information Security Management System (ISMS), adopted across all operational sites in harmony with our security policy. Further enhancing our security infrastructure is the establishment of a Cyber Defence Centre, operational 24/7, designed to proactively identify and mitigate cybersecurity incidents.

### Responsibilities of the Information Technology & Data Security Committee

The Information Technology & Data Security (IT & DS) Committee plays a vital role in overseeing

and enhancing our cybersecurity framework. Its responsibilities include:

- Reviewing the implementation of cutting-edge IT solutions across the organisation to automate key functions and processes.
- Ensuring the protection of critical data through regular oversight of IT and cybersecurity teams' actions.
- Developing forward-looking strategies to manage cyber risk exposure.
- Conducting annual reviews of the cybersecurity breach response and crisis management plans.
- Assessing the adequacy of resources for cybersecurity and recommending enhancements.
- Evaluating cyber risks associated with third-party and outsourced IT services.
- Annually reviewing the sufficiency of the Group's cyber insurance coverage.

### Audit and Compliance

To maintain and verify our compliance with data privacy and cybersecurity standards, APSEZ engages with independent agencies for auditing purposes. These include annual IT General Controls (ITGC) and ISO/IEC 27001:2013 audits, both internal and external, alongside various assessments conducted by the Adani Group Management Assurance Team. These rigorous audits are instrumental in ensuring APSEZ's adherence to requisite standards and providing insights into our cybersecurity stance. Compliance of the privacy policy are subject to internal and by third-party audits.

### Incident Management and Response

APSEZ takes a proactive approach to incident management,

conducting bi-annual 'Incident Response' testing and maintaining a 24/7 Security Operation Centre for incident detection and management. Our strategy encompasses High Availability and Disaster Recovery for all critical applications and third-party vulnerability analyses, including simulated hacker attacks.

We have established a well-defined escalation process enabling employees and contractors to report any actual/potential cybersecurity breaches, via our internal digital platform. Additionally, employees can also register their concerns or issues through dedicated telephone lines and email IDs, with real-time tracking and resolution in accordance with the escalation matrix and defined timeline. We have also implemented a grievance management system accessible to all internal and external stakeholders to report suspected vulnerabilities in IT systems and processes and incidences of misuse.

### Consequence Management for Non-Compliance

To address non-compliance and breaches effectively, APSEZ has instituted a robust consequence management protocol. Measures include equipping all company devices with data leak protection agents and scrutinising outbound communications for potential data leaks. Breaches identified by the Information Protection Group are escalated for immediate management attention, with unresolved incidents further escalated to senior leadership. Non-compliance incidents invoke the IT Consequence Management Policy, managed by the HR Team, ensuring that appropriate actions are taken in line with procurement and legal terms for both in-house and consultant-level breaches.

## Business Continuity Plan

Our Business Continuity Plan (BCP) is a cornerstone of our resilience strategy, designed to ensure uninterrupted operations in the face of natural disasters, cyber threats, and other disruptions affecting our Port and Special Economic Zone (SEZ) operations. The plan specifically addresses scenarios where critical aspects such as personnel availability, facilities, and technology are compromised, impacting the delivery of essential IT services vital for our business functions and customer service commitments.

The BCP framework delineates a clear crisis management organisation structure, detailing the roles, responsibilities, and procedures for recovery and resumption. It activates when APSEZ management triggers the recovery protocols in response to a disaster or emergency, ensuring continuity, resilience, and a swift return to normal operations.

### Core Elements of the BCP

#### Activation of the BCP

The activation of the BCP occurs under the direction of APSEZ management in the event of a BCP-defined crisis. This comprehensive system is designed to facilitate the understanding of departmental responsibilities during

resumption, recovery, restoration, and return phases. It outlines the essential resources and records needed by critical departments for effective business resumption. To ensure the plan's effectiveness and readiness, we conduct semi-annual tests of all procedures and protocols.

#### Oversight and Cybersecurity Measures

The Chief Information Security Officer (CISO) plays a pivotal role in overseeing the Business Continuity and Disaster Management Plan, focusing on meeting the technological and cybersecurity requirements. Responsibilities extend to assessing system upgrades, consulting with technology partners, and engaging other stakeholders to strengthen our cybersecurity framework.

#### Cybersecurity Awareness and Capability Enhancement

Recognising the importance of cybersecurity in our overall business continuity strategy, APSEZ mandates annual cybersecurity training for all employees, emphasising rigorous adherence to our protocols. In the fiscal year 2023-24, we successfully trained 2,919 employees, enhancing our cybersecurity awareness and preparedness.

Beyond training, APSEZ has implemented several advanced cybersecurity measures, including Privileged Access Management (PAM), Security Orchestration, Automation and Response (SOAR), Cloud Security Posture Management (CSPM), Multi-Factor Authentication (MFA), and Web Application Firewall (WAF). These initiatives significantly strengthen our defence against cyber threats.

#### Operational Improvements and Systems Implementation

To further enhance our operational efficiencies, the IT team has deployed several key systems. These include the Grievance Management System (GMS), Integrated Transport Utility Platform (ITUP), a Ransomware Protected Backup solution (Commvault AirGap), and the Gate Operating System (GOS). Each implementation is targeted at streamlining operations, enhancing security, and improving service delivery across the organisation.

Through our comprehensive Business Continuity Plan, rigorous cybersecurity initiatives, and continuous operational improvements, APSEZ ensures maintaining resilience, upholding the safety and security of our operations, and providing uninterrupted service to our customers, even in the face of unforeseen challenges.

## Cybersecurity and Operational Improvement Measures

Cybersecurity/Operational Measure	Description	Purpose/Impact
Privileged Access Management (PAM)	Manages and monitors access to privileged accounts.	Enhances security by controlling access to critical systems and data.
Security Orchestration, Automation, and Response (SOAR)	Automates security operations to efficiently respond to incidents.	Improves incident response times and reduces manual intervention in threat detection and response.
Cloud Security Posture Management (CSPM)	Manages risks associated with cloud environments and automates compliance monitoring.	Ensures cloud environments are secure and compliant with relevant regulations, reducing the risk of data breaches.
Multi-Factor Authentication (MFA)	Enhances the authentication process by requiring multiple forms of verification.	Strengthens user account security, reducing the likelihood of unauthorised access.
Web Application Firewall (WAF)	Protects websites from cyber-attacks by filtering and monitoring HTTP traffic.	Safeguards the Adani Ports website against various web-based threats, preserving website integrity and user data.
Grievance Management System (GMS)	Collects information on grievances from internal and external stakeholders.	Facilitates efficient handling and resolution of grievances, improving stakeholder satisfaction and operational transparency.
Ransomware Protected Backup solution	Provides data protection against ransomware threats or attacks.	Ensures data recovery in the event of a ransomware attack, minimising operational disruption and data loss.
Gate Operating Systems (GOS) at Mundra Port	Automates gate operations and facilitates online fee collection.	Streamlines vehicle entry processes at Mundra Port, enhancing efficiency and reducing wait times.

## Delivering Superior Value to Customers – Safety, Speed and Delight.

At APSEZ, Safety, Speed and Customer Delight form the bedrock of our commitment to provide superior logistics solutions through a service-oriented approach. It is pivotal for our business strategy to deliver exceptional logistics solutions that align with our customer value proposition model.

### Safety and Speed

Our comprehensive portfolio of end-to-end solutions include first and last-mile delivery, leveraging our cutting-edge port facilities,

multi-modal logistic parks, warehousing capabilities, rail networks, fully serviced industrial economic zones, and product distribution systems. Backed by advanced technologies, premium infrastructure, automation, and efficient time management, these solutions are designed to deliver safety and speed to our wide spectrum of customers.

### Delight

We are focused on creating consumer delight through bespoke

solutions tailored to suit specific customer needs and agility in responding swiftly to emerging needs & governmental pressures to localise production. Provision of providing dedicated warehouse for storing steel coils for one of India's largest car manufacturers, stands as a testimony for our customisation capabilities. As an integrated logistics company, we enjoy a strategic advantage of efficient cargo delivery at a competitive cost leveraging control over our downstream supply.

## Customer Value Proposition Model

To offer the finest logistics solutions fuelling the business growth of our customers, we center our customer value proposition model around understanding the evolving customer needs and addressing them through world-class infrastructure, state-of-the-art technology and superior service. The model comprises three major components:

### Customer segment

As a leading logistics company in India, we cater to a wide spectrum of customers, including exporters, importers, shipping lines, and other logistics firms.

### Value proposition

We aim to cater to our diverse customer needs through our broad range of services including cargo handling, storage and transportation, as well as value-added services such as customs clearance, warehousing and container repair.

### Differentiation

Our vertically integrated business model coupled with our strategic location on India's coastline enable us to offer efficient end-to-end logistics solutions, through faster transit times and lower transportation costs, giving us a competitive edge in the industry.

### Building Long-Term Relationships With Customers

At APSEZ, we aim to forge lasting partnerships with our customers through reliable, efficient, and cost-effective logistics solutions. Our 'smart port' initiative was launched for service enhancement through deployment of IoT devices and data analytics to provide seamless multimodal convenience. Technologies such as APMS, SAP, Mercury and web-based mobile app, not only offer real-time visibility into the cargo value chain but also enables tracking of port-based

vessels and cargo, enhancing customer service.

### Investing In Digital Technology

We have revolutionised port operations and elevated customer service by integrating innovative use of cutting-edge technologies and advanced software with superior infrastructure.

At Mundra Port, we've adopted advanced technologies to boost efficiency and security ensuring a faster, safer, and more delightful customer experience. We're committed to upgrading all our ports into 'smart' ports by continually leveraging advanced technologies. This integrated approach has transformed our operations, creating new opportunities for growth and success. We consistently seek innovative ways to enhance our services and offer our customers a seamless and delightful experience.

### LoRA and RFID mesh

The Company implemented LoRA and RFID mesh technology to establish a wireless network with which sensor devices could connect. It piloted the tracking of high value containers in real-time, monitoring and detection of air pollution, automatic energy management and vehicle movement control, among other applications.

### 3D scanning technique

3D mapping technique was explored to obtain real-time profiles of bulk piles in the stock yard which could be used for effective yard planning. Using this, the company measured the area occupied/available for cargo weight at any given point

### Algorithmic optimisation

The Company tested algorithmic optimisation to create dynamic vessel plans implemented through a central control room for the optimal utilisation of port equipment.

### Video analytic

To minimise human intervention errors, advanced video analytics were used for test cases including intrusion, tempering, over-speeding, trespassing, fire, smoke, colours, number plate identification and crowd movement etc.

### Integrated transport utility platform (ITUP)

To strengthen our digital footprint and ensure seamless connectivity to our ports and other logistics infra, we are developing an integrated transport utility platform (ITUP) for our customers.

Major e-commerce players already have a platform that tracks ordering, packaging, delivery and post-delivery.

Our ITUP platform while being built for end-to-end connectivity, measures the productivity of the mentioned activities and records any deviation in real time.

We envisage that our ITUP will be an integrated platform, which will act as marketplace for all customers and suppliers.

It will provide complete visibility on the entire chain of custody of consignments, options on the logistic cost, delivery time, carbon footprint and so on.

The system will put customers at the centre and enable decision-making in their hands, enabling a complete transparency for the ease of doing business.

APSEZ has made significant investments in cutting-edge technologies with an aim to foster consumer experience & integrate forward-thinking approach into our services while maintaining the leadership position in serving our customer effectively. Our investment in technology plays key role in lowering our operational costs, enhancing productivity and efficiency, as well as sustainability of our operations.

### Technology

#### Superior information access

Our IT system provided the following information – Cargo status report: SMS-based VCN status: Vessel declaration and auto PPA: auto alerts on compliance: vessel closure and NOC: weather reports on SMS

#### Auto-steering for RTG

We installed a laser-based feedback system that minimised the zig-zag movement of RTGs. The stack profiling system analysed the height of the stack and prevented collision with RTGs through automatic immobilisation, enhancing safety and equipment efficiency.

#### Remotely-operated robotic e-RTG

We employed cranes in our ports that could be operated remotely, enhancing our technology capability.

#### Dredger technology modification

When maintenance dredgers became critical, we converted a CSD to WID without external fabrication, saving crores of rupees in capital expenditure.

#### Container Position Detection System

We modified existing e-RTGs to account for 50,000 possibilities of a container in our yard and relayed to the TOS, avoiding delays and errors.

### Relevance

#### Complex cargo management

We developed the expertise in handling special cargo ranging from metro rail bogies to helicopters, cranes and wind turbines, among other applications.

#### Berthing capacity

We developed a capability to address futuristic vessels – especially large – at the design stage, future-proofing our ports.

#### Neem oil urea coating facility

We developed a facility to handle 35,00 MT of coated urea per day, capable of filling 11 rakes of 52 wagons each, in line with the national priority for the fertiliser sector.

#### Anti-lift mechanism for twin 20 ft container

We introduce a photo sensor in the management of RTGs equipped to lift two 20 feet containers in one go, enhancing judgement calls and safety.

### Innovative and Ground-breaking Technology

#### First floating Ro-Ro terminal

We launched India's first Ro-Ro terminal that could be operated 24\*7 even with a sea level variation as high as 6m

### Scale

#### Largest dredging capability

We developed the largest dredging capacity in India (equivalent to 80 times the Vatican city by size)

### Environment friendliness

#### Berthing aid system

We created a laser sensor system to provide graphical information using customised software (developed at a quarter of the prevailing cost) to provide information (berthing velocity, distance and approach angle) and maintain low berthing velocity (less than 0.1m/s) to avoid collision.

#### Automatic hydrocarbon gas detectors

We designed a system to detect the number of gaseous hydrocarbons in the ambient air, integrated with the SCADA system to provide real-time information and raise automatic alarms when necessary

#### Zero vessel waste dump

We completely (100%) treated and recycled solid and liquid waste generated by incoming vessels.

### Customer Engagement and Satisfaction

We prioritise customer centricity and maintain continuous interaction & engagement with our customers. We conduct surveys to seek feedback and enhance our services. We aim to achieve a customer satisfaction score of 4.75/5 by 2025. Recently, we conducted a Customer Satisfaction Survey across various business verticals to assess compliance with ESG parameters, alignment with sustainability goals, and identify areas for improvement. We've updated our survey methodology this year to capture comprehensive customer feedback.

### Survey topics and key findings

A summary of the survey questionnaire sent to customers has been carried below.

<b>Customer's ESG credentials and alignment to APSEX's sustainability goals</b>	Customer's policy on quality control, health & safety and respect for human rights at workplace, including due diligence, risk identification and management Carbon emission, water use, other environmental indicators, and the corresponding targets. Certification on environment, water use, other environmental indicators and the corresponding targets.
<b>Infrastructure, operations and allied services</b>	Availability of various dredging equipment Condition of the dredging equipment, environmental consciousness, delivering time and accuracy. IT and Hydrographic survey etc.
<b>Performance and practices</b>	OHS (Occupational Health and Safety) Practice, risk management and evaluation, community engagement, Minimum age and wages of workers, suppliers audit and evaluation of ESG practice.
<b>Value enhancement</b>	Environment management system, evaluation of biodiversity related impacts, Pricing, easiness, environmental and social practices, customer feedback, targets for performance improvement etc.
<b>Policy awareness</b>	Whistle-blower Policy, Code of conduct, Human Rights guidelines, Anti-Discrimination, Diversity and Equal Opportunity Policy. Supplier Code of Conduct, Occupational Health and Safety Policy, Environmental Policy, Energy and Emission Policy, Water Stewardship Policy, Waste Reuse or Recycle Policy etc.
<b>Other processes</b>	Parameters influencing the use of our services, suggestions and scope of improvement.

### Customer Satisfaction Survey Results

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Customers Satisfaction Score	4.16/5	4.1/5	4.3/5	4.5/5
% of Satisfied Customers	83	82	86	90
Coverage (%)	100	100	100	100

## Customer Data Privacy

APSEZ is profoundly dedicated to preserving the privacy and security of our customers' data. In line with this dedication, we have instituted a thorough Privacy Policy, thoughtfully crafted to handle customer data with utmost responsibility. This policy adheres to prevailing regulations and incorporates best practices from around the globe, reinforcing our stance that privacy is an intrinsic right. We actively implement measures to ensure the protection of Personally Identifiable Information (PII), aligning our processes with regulatory requirements. Our customers and business partners are encouraged to reach out via email or phone for any enquiries related to their personal data, ensuring transparency and open communication regarding the collection and utilisation of their information.

Within our organisation, we have integrated a comprehensive privacy policy system as part of our group-wide risk and compliance management. This system ensures that all stakeholders' privacy rights are protected, data handling practices comply with regulations, and risk mitigation strategies are in place. By embedding privacy policies across the organisation, we prioritise data security and build trust with our customers and partners.

We take pride in our record of zero substantiated incidents related to breaches of customer privacy, data theft, leaks, or loss for the fiscal year 2023-24. This achievement underscores our unwavering commitment to data protection and implementation of cybersecurity measures.

### Key Data Protection and Information Sharing Measures

To guarantee the integrity and security of data sharing and protection, APSEZ has implemented the following practices:

- **Secure Data Storage:** Essential applications, including IPOS Container and IPOS Non-Container systems, are backed up and securely stored for five years. Financial documents are protected and retained securely for seven years.
- **Controlled Information Sharing:** Information sharing with third parties, when necessary, is executed through the Adani Microsoft SharePoint solution. This process requires approvals from the relevant business and cybersecurity teams, ensuring adherence to strict security protocols.
- **Seeking Customer Consent:** Customer's opt-in consent is obtained, where required under relevant Data Protection Laws, before undertaking processing activities on customer data/ personal information.
- **Purpose-Specific Data Usage:** We strictly limit the use of customer data to essential business operations, such as invoice generation and payment processing. This data includes key identifiers like names, addresses, email, mobile numbers, and financial details. Post the cessation of services, customer data is securely blocked in our system.
- **Regulatory Compliance:** The disclosure of customer information to third parties is

strictly regulated and limited to legal obligations with government agencies. This may include sharing of specific details, such as PAN and GST numbers, for tax filing purposes.

- **How the information is protected:** The personal data or information of all the stakeholders like customers, employees, third party vendors, partners, suppliers, etc. are all critical information that needs to be safeguarded. The DPDP Act 2023, acts as a regulation for the emphasis of data privacy and control. We take various methods for protecting the data privacy of our stakeholders by incorporating authorisation, encryption, verification, data backup and recovery. We inculcate best practices in our business to protect the private data by limiting the data collected and limit the access to the data within the organisation for minimising the risk, regular audits, training our employees on privacy practices and having a regular review of compliance with the data protection laws. At APSEZ, safeguarding customer privacy builds trust and sets businesses apart.

As a B2B enterprise with a primary focus on commercial activities rather than marketing, we don't necessitate an opt-out option for our customers regarding the handling of their personal information. In the broader context, given that the personal data is predominantly used for commercial purposes, the application of this data for secondary purposes is not relevant.

## Zero Tolerance and Confidentiality

Maintaining the confidentiality of customer information is integral to our code of conduct. APSEZ has established a zero-tolerance policy against any violations to the privacy policy. When an employee violates an organisation' privacy policy, they may be subject to disciplinary action. We have a zero-tolerance policy, initiating strict actions against individuals involved in privacy breaches. Our dedication to safeguarding customer privacy is reflected in our impeccable track record, with no information security breaches, data breaches, or cybersecurity incidents reported over the past three fiscal years. Furthermore, there have been no fines or penalties levied upon us with respect to data security breaches or cybersecurity incidents.

Year	Information Security Breaches	Data Breaches	Affected Individuals	Fines/Penalties
2021-22	0	0	0	0
2022-23	0	0	0	0
2023-24	0	0	0	0



## Independent Assurance Statement

To the Directors and Management  
Adani Ports & Special Economic Zone Ltd. (APSEZL),  
Adani Corporate House, Shantigram, Near Vaishno Devi Circle,  
S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat

Adani Ports & Special Economic Zone Ltd., referred to as 'APSEZL' or 'the company,' has commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of the Non-Financial Information disclosed in their Integrated Report (hereinafter 'the Report'). The report is based on the principles of IIRC Integrated Reporting Framework and Global Reporting Initiative (GRI) standards. The assurance engagement was conducted in reference with AA1000 Assurance Standard v3, specifically 'Type 2, moderate level' and ISAE 3000 (Revised) with "reasonable level". The ESG Report covers APSEZL's ESG KPIs for the period of 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024, and the verification was conducted within the reporting boundary during March and April 2024.

### Management's Responsibility

APSEZL has developed the Report content and is responsible for identification of materiality, corresponding sustainability issues, identifying, establishing, reporting performance management, data management, and quality. The management team at APSEZL is accountable for the accuracy of the information provided in the Report and the process of collecting, analyzing, and reporting that information in both web-based and printed Reports. This includes the maintenance and integrity of the company's website. Furthermore, APSEZL's management team takes responsibility for the accurate preparation of the Report in accordance with the applied criteria. They ensure that the Report is free of any intended or unintended material misstatements, so the stakeholders can trust the information provided. APSEZL will be responsible for archiving and reproducing the disclosed data to the stakeholders upon request.

### Scope and Boundary

The scope of work for the assurance engagement conducted by TUVI includes assurance of non-financial disclosure as part of the Report. The assurance engagement encompasses a thorough review of the quality of information, as well as a review of evidence (on a sample basis) for identified non-financial indicators. Additionally, verification team performed

- 1) Verification for the application of the Report content, principles of IIRC Integrated Reporting Framework and Global Reporting Initiative (GRI) Standards, and the quality of information presented in the Report over the reporting period;
- 2) Review of the policies, initiatives, practices and performance described in the Report;
- 3) Review of the non-financial disclosures made in the Report against the requirements of the applied Standards
- 4) Verification of the reliability of the GRI Standards Disclosure on environmental and social topics
- 5) Specified information was selected based on the materiality determination and needs to be meaningful to the intended users;
- 6) Confirmation of the fulfilment of the IIRC Integrated Reporting Framework and GRI Standards.

TUVI has verified the below-mentioned GRI disclosures given in the Report:

S. No.	Indicators	GRI Reference
1	External assurance	2-5
2	Activities, value chain and other business relationship	2-6
3	Mechanisms for seeking advice and raising concerns	2-26
4	Energy consumption	302-1
5	Energy consumption outside of the organization	302-2
6	Energy intensity	302-3
7	Reduction of energy consumption	302-4
8	Reductions in energy requirements of products and services	302-5
9	Water Withdrawal	303-3
10	Water Discharge	303-4
11	Water Consumption	303-5
12	Direct (Scope 1) GHG emissions	305-1
13	Energy indirect (Scope 2) GHG emissions	305-2
14	Other indirect (Scope 3) GHG emissions	305-3
15	GHG emissions intensity	305-4
16	Reduction of GHG emissions	305-5
17	Emissions of ozone-depleting substances (ODS)	305-6
18	Waste diverted from disposal	306-4
19	Waste directed to disposal	306-5
20	New suppliers that were screened using environmental criteria	308-1
21	Negative environmental impacts in the supply chain and actions taken	308-2
22	New employee hires and employee turnover	401-1

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S. No.	Indicators	GRI Reference
23	Worker training on occupational health and safety	403-5
24	Work-related injuries	403-9
25	Training and Education	404-1
26	Diversity of governance bodies and employees	405-1
27	Ratio of basic salary and remuneration of women to men	405-2
28	Operations with local community engagement, impact assessments, and development programs	413-1
29	New suppliers that were screened using social criteria	414-1
30	Negative social impacts in the supply chain and actions taken	414-2

The reporting boundaries for the above attributes include APSEZL integrated services in the ports, logistics, port-based services and SEZ segment with 15 Nos. ports/terminals & corporate office. It also extends to its subsidiary Adani Logistics Limited (ALL), operating 6 Nos. warehouses, 10 logistic parks and 19 Nos. of Agri silos. APSEZL serves 28 states/UT in India and has four ports and one office outside India. An on-site & online verification was conducted at Corporate Office and six ports between 10<sup>th</sup> Jan to 27<sup>th</sup> Apr 2024.

### Onsite Verification

- 1) Adani Corporate House, Ahmedabad: 11<sup>th</sup> - 13<sup>th</sup> Mar 2024
- 2) Adani Gangavaram Ports Pvt Ltd, Gangavaram: 22<sup>nd</sup> - 23<sup>rd</sup> Jan 2024
- 3) Adani Hazira Ports Pvt Ltd, Hazira: 12<sup>th</sup> - 13<sup>th</sup> Jan 2024
- 4) Adani Krishnapatnam Port Ltd., Krishnapatnam: 17<sup>th</sup> - 18<sup>th</sup> 2024
- 5) Marine Infrastructure Pvt. Ltd, Kattupalli & Adani Ennore Container Terminal Port Ltd., Ennore: 19<sup>th</sup> - 20<sup>th</sup> Jan 2024

### Online Verification

- 1) Adani Ports and Special Economic Zone Ltd, Mundra: 10<sup>th</sup> - 11<sup>th</sup> Jan 2024
- 2) Adani Corporate House, Ahmedabad: 27<sup>th</sup> Apr 2024

The assurance activities were carried out together with a desk review as per reporting boundary.

### Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the Report, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion from the prospective information. During the assurance process, TUVI did not come across any limitations to the agreed scope of the assurance engagement. TUVI is contracted by the APSEZL and answerable to the APSEZL's management only. TUVI verified the data on a sample basis; the responsibility for the authenticity of the data entirely lies with APSEZL. TUVI expressly disclaims any liability or co-responsibility in the case of erroneous data reported or for any decision a person or entity would make based on this assurance statement.

### Our Responsibility

TUVI's responsibility in relation to this engagement is to perform assurance and to express a conclusion based on the work performed. We conducted our engagement in reference with AA1000 Assurance Standard v3 and ISAE 3000 (Revised) limited to non-financial disclosures. Our engagement did not include an assessment of the adequacy or the effectiveness of APSEZL's strategy, management of ESG-related issues or the sufficiency of the Report against principles of IIRC Integrated Reporting Framework, GRI Standards, and AA1000 Assurance Standard v3, ISAE 3000 (Revised) other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference with the agreed scope of work which includes non-financial quantitative and qualitative information (KPI's) disclosed by APSEZL. The data is verified on a sample basis, the responsibility of authenticity of data lies with the reporting organization. Reporting Organization is responsible for archiving the related data for the reasonable time period. TUVI does not take any liability or co-responsibility for any damages in case of erroneous data reported. The intended users of this assurance statement are the management of 'APSEZL'. This assurance engagement is based on the assumption that the data and information provided to TUVI by APSEZL are complete and true.

### Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focused on verification efforts with respect to disclosed KPI's. TUVI has verified the KPI's and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- 1) TUVI examined and reviewed the documents, data, and other information made available by APSEZL for non-financial KPI's (non-financial disclosures);
- 2) TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of the APSEZL during the verification;
- 3) Review the level of adherence to principles of IIRC framework and GRI standards.

The Report was evaluated against the following criteria:

Adherence to the principles of Stakeholder inclusiveness, Materiality, Responsiveness, Completeness, Neutrality, Relevance, Sustainability context, Accuracy, Reliability, Comparability, Clarity and Timeliness; as prescribed in the GRI Standards and AA1000AS v.3 along with AA1000 AP (2018);

During the assurance engagement, TUVI adopted a risk-based approach, focused on verification efforts on the issues of high material relevance to APSEZL business and its stakeholders. TUVI has verified the statements and claims made in the Report and assessed the robustness of the underlying data management system, information flows and controls. In doing so:

- 1) TUVI reviewed the approach adopted by APSEZL for the stakeholder engagement and materiality determination process. TUVI performed the interviews of internal stakeholder engagement to verify the qualitative statements made in the Report;
- 2) TUVI verified the ESG-related statements and claims made in the Report and assessed the robustness of the data management system, information flow and controls;
- 3) TUVI examined and reviewed the documents, data and other information made available by APSEZL Limited for the reported disclosures including the disclosure on Management Approach and performance disclosures;

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- 4) TUVI conducted interviews with key representatives including data owners and decision-makers from different functions of the APSEZL during the remote assessments
- 5) TUVI performed sample-based reviews of the mechanisms for implementing the ESG related policies, as described in APSEZL Report;
- 6) TUVI verified sample-based checks of the processes for generating, gathering and managing the quantitative data and qualitative information included in the Report for the reporting period.

### Opportunities for Improvement

The following are the opportunities for improvement reported to APSEZL. However, they are generally consistent with APSEZL management's objectives and programs.

- 1) APSEZL may strengthen its internal reporting by opting a smart cloud-based data management system and compliment the same with periodic internal data and performance reviews;

### Our Conclusion

In our opinion, based on the scope of this assurance engagement, the "disclosures on ESG performance" and reference information provide a fair representation of the material topics, related strategies, and meets the general content and quality requirements of the GRI Standards.

APSEZL appropriately discloses the KPI's and actions that focus on the creation of value over the short, medium and long term. The selected KPI's disclosures by APSEZL are fairly represented. On the basis of the procedures we have performed, nothing has come to our attention that causes us to believe that the information subject to the level of assurance engagement was not prepared, in identified ESG information is not reliable in all material respects, with regards to the reporting criteria.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the GRI Standards reporting requirements. APSEZL refers to general disclosure to Report contextual information about APSEZL, while the 'Management Approach' is discussed to Report the management approach for each material topic.

Universal Standard: APSEZL followed GRI 1: Foundation 2021: Requirements and principles for using the GRI Standards; GRI 2: General Disclosures 2021: Disclosures about the reporting organization. General Disclosures were followed when reporting information about an Organization's profile, strategy, ethics and integrity, governance, stakeholder engagement practices, and reporting process. and GRI 3: Material Topics 2021: Disclosures and guidance about the organization's material topics. GRI3 was selected for Management's Approach on reporting information about how an organization manages a material topic.

TUVI is of the opinion that this report has been prepared in reference with the GRI Standards.

Topic Specific Standard: 300 series (Environmental topics), and 400 series (Social topics); These Topic- specific Standards were used to Report information on the organization's impacts related to environmental and social topics. TUVI is of the opinion that the reported material topics and Topic-specific Standards that APSEZL used to prepare its Report are appropriately identified and addressed.

TUVI confirms that APSEZL has transparently reported business model with major material information pertaining to all its six capitals in line with the <IR> framework, as below:

**Financial Capital:** Input for this capital are net worth, cash and cash equivalents (CCE) and capex in enhancing ports capacity and logistics network, with its outcomes as revenue, EBITDA, PAT, net debt/EBITDA, Dividend distributed, cash flows, debt reduction and investment grade rating from leading international agencies.

**Manufactured Capital:** APSEZL Ports and industrial land (SEZ) provides integrated logistics network equipped with modern technology and infrastructure providing stable and scalable operations with diversification across geographies.

**Intellectual Capital:** APSEZL's robust technology infrastructure driving unprecedented efficiencies and customer satisfaction, with efficient transport utility with pricing power and real-time vessel tracking services. Knowledge-based intangibles, including intellectual property, patents, designs and development, etc.

**Human Capital:** APSEZL provides skill and safety training for employees, spent for employee well-being initiatives, which turnaround as employee voluntary turnover, revenue per employee, less injury rate & fatalities and employee satisfaction.

**Social and Relationship Capital:** APSEZL's relationship with stakeholders such as customers, business partners, regulators, suppliers, business partners, communities, legislators, policy-makers, and benefits associated with brand and reputation, along with APSEZL's ability to share information to enhance wellbeing.

**Natural Capital:** APSEZL investment in environmental initiatives, emphasis on responsible use of natural resources and undertaken comprehensive climate risk assessment, further tracks its net zero carbon emissions target and ports for zero waste to landfill.

Evaluation of the adherence to AA1000 AccountAbility Principles:

**Inclusivity:** Stakeholder identification and engagement is carried out by APSEZL on a periodic basis to bring out key stakeholder concerns as material topics of significant stakeholders. In our view, the Report meets the requirements.

**Materiality:** The materiality assessment process has been conducted based on the requirement of GRI standards, considering the topics that are internal and external to the APSEZL range of businesses The Report fairly brings out the aspects and topics and its respective boundaries of the diverse operations of APSEZL. In our view, the Report meets the requirements.

**Responsiveness:** TUVI believes that the responses to the material aspects are fairly articulated in the report, i.e. disclosures on APSEZL policies and management systems, including governance. In our view, the Report meets the requirements.

**Impact:** APSEZL communicates its ESG performance through regular, transparent internal and external reporting throughout the year, aligned with GRI as part of its policy framework that includes Environmental, ESG, Climate Change Mitigation, Corporate Social Responsibility Policy etc. APSEZL reports on ESG performance to the Board of Directors, who oversees and monitors the implementation and performance of objectives, as well as progress against goals and targets for addressing ESG-related issues. APSEZL completed establishing contemporary goals and targets against which performance will be monitored and disclosed periodically.

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**Independence and Code of Conduct:** TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. We recognize the importance of maintaining independence in our engagements and actively manage threats such as self-interest, self-review, advocacy, and familiarity. The assessment team was safeguarded from any type of intimidation. By adhering to these principles, we uphold the trust and confidence of our clients and stakeholders. In line with the requirements of the IIRC Integrated Reporting Framework and GRI Std., TUVI confirms that there is no conflict of interest with APSEZL.

TUVI solely focuses on delivering verification and assurance services and does not engage in the sale of service or the provision of any non-audit/non-assurance services, including consulting.

Quality control: The assurance team complies with quality control standards, ensuring that the engagement partner possesses requisite expertise and the assigned team collectively has the necessary competence to perform engagements in reference with standards and regulations. Assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour. In accordance with International Standard on Quality Control, TUVI maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Our Assurance Team and Independence

TUVI is an independent, neutral third-party providing sustainability services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with APSEZL on any engagement that could compromise the independence or impartiality of our findings, conclusions, and recommendations. TUVI was not involved in the preparation of any content or data included in the Report, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited



Manojkumar Borekar  
Product Head - Sustainability Assurance Service  
TUV India Private Limited

Date: 21/05/2024  
Place: Mumbai, India  
Project Reference No: 8122251091



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	3-2 List of material topics	Material Matters	76
	3-3 Management of material topics	Material Matters	76
	<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	Notes to the Consolidated Financial Statements
201-2 Financial implications and other risks and opportunities due to climate change		Climate Risk Assessment and Management	156
201-3 Defined benefit plan obligations and other retirement plans		Fostering Talent in an Inclusive Workplace: Performance-Linked Compensation Structure and Employee Support Programmes	198 & 200
201-4 Financial assistance received from government		Not Applicable	-
<b>GRI 202: Market Presence 2016</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Fostering Talent in an Inclusive Workplace Business Responsibility & Sustainability Report	186 & 388
	203-1 Infrastructure investments and services supported	Stronger Than Ever Ports Business: Advancing towards becoming the world's largest port operator by 2030	36
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-2 Significant indirect economic impacts	Stronger Than Ever Ports Business: Advancing towards becoming the world's largest port operator by 2030	36
	204-1 Proportion of spending on local suppliers	Responsible Procurement: Promoting Responsible Procurement Practices	236
<b>GRI 204: Procurement Practices 2016</b>	205-1 Operations assessed for risks related to corruption	Code of conduct and ethics framework	249
	205-2 Communication and training about anti-corruption policies and procedures	Code of conduct and ethics framework	249
	205-3 Confirmed incidents of corruption and actions taken	Code of conduct and ethics framework	249
<b>GRI 205: Anti-corruption 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Code of conduct and ethics framework	249
	301-1 Materials used by weight or volume	Not Applicable	-
<b>GRI 206: Anti-competitive Behavior 2016</b>	301-2 Recycled input materials used	Not Applicable	-
	301-3 Reclaimed products and their packaging materials	Not Applicable	-

GRI Standard	Disclosure	Section	Page No.
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Managing our emissions to achieve energy efficiency	161
	302-2 Energy consumption outside of the organization	Managing our emissions to achieve energy efficiency	161
	302-3 Energy intensity	Managing our emissions to achieve energy efficiency	161
	302-4 Reduction of energy consumption	Managing our emissions to achieve energy efficiency	161
	302-5 Reductions in energy requirements of products and services	Managing our emissions to achieve energy efficiency	161
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Water Stewardship: Our Commitment to Sustainable Water Management	167
	303-2 Management of water discharge-related impacts	Water Stewardship: Our Commitment to Sustainable Water Management	167
	303-3 Water withdrawal	Water Stewardship: Our Commitment to Sustainable Water Management	167
	303-4 Water discharge	Water Stewardship: Our Commitment to Sustainable Water Management	167
	303-5 Water consumption	Water Stewardship: Our Commitment to Sustainable Water Management	167
<b>GRI 304: Biodiversity 2016</b>	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity Conservation with Sustainable Practices	175
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity Conservation with Sustainable Practices	175
	304-3 Habitats protected or restored	Biodiversity Conservation with Sustainable Practices	175
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity Conservation with Sustainable Practices	175
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Advancing Towards a Low-Carbon Society Through Climate Finance and Sustainable Solutions	158
	305-2 Energy indirect (Scope 2) GHG emissions	Advancing Towards a Low-Carbon Society Through Climate Finance and Sustainable Solutions	158
	305-3 Other indirect (Scope 3) GHG emissions	Addressing Scope 3 Emissions: Enhancing Our Carbon Footprint Management	159
	305-4 GHG emissions intensity	GHG Emission Intensity	159
	305-5 Reduction of GHG emissions	Electrification of Internal Transfer Vehicles (E-ITVs) for Carbon Emission Reduction	160
	305-6 Emissions of ozone-depleting substances (ODS)	Emissions of Ozone Depleting Substances (ODS)	159
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Ensuring ambient air quality	164

GRI Standard	Disclosure	Section	Page No.
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	Promoting responsible waste management practices	172
	306-2 Management of significant waste-related impacts	Promoting responsible waste management practices	172
	306-3 Waste generated	Promoting responsible waste management practices	172
	306-4 Waste diverted from disposal	Promoting responsible waste management practices	172
	306-5 Waste directed to disposal	Promoting responsible waste management practices	172
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	Responsible Procurement: Promoting Responsible Procurement Practices	236
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Procurement: Promoting Responsible Procurement Practices	236
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Fostering Talent in an Inclusive Workplace	186
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Fostering Talent in an Inclusive Workplace	186
	401-3 Parental leave	Fostering Talent in an Inclusive Workplace	186
<b>GRI 402: Labor/ Management Relations 2016</b>	402-1 Minimum notice periods regarding operational changes	Fostering Talent in an Inclusive Workplace: Freedom of association	186
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Occupational health and safety	212
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational health and safety	212
	403-3 Occupational health services	Occupational health and safety	212
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational health and safety	212
	403-5 Worker training on occupational health and safety	Occupational health and safety	212
	403-6 Promotion of worker health	Occupational health and safety	212
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational health and safety	212
	403-8 Workers covered by an occupational health and safety management system	Occupational health and safety	212
	403-9 Work-related injuries	Occupational health and safety	212
	403-10 Work-related ill health	Occupational health and safety	212

GRI Standard	Disclosure	Section	Page No.
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Fostering Talent in an Inclusive Workplace	186
	404-2 Programs for upgrading employee skills and transition assistance programs	Fostering Talent in an Inclusive Workplace	186
	404-3 Percentage of employees receiving regular performance and career development reviews	Fostering Talent in an Inclusive Workplace	186
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Governance: Board composition and structure overview	250
	405-2 Ratio of basic salary and remuneration of women to men	Fostering Talent in an Inclusive Workplace	186
		Fostering Talent in an Inclusive Workplace	186
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Human Rights: Discrimination and Harassment	209
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights Due Diligence	204
		Ethical Practices in Supply Chain	206
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	Human rights due diligence	204
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Ethical Practices in Supply Chain	206
		Ethical Practices in Supply Chain	206
<b>GRI 410: Security Practices 2016</b>	410-1 Security personnel trained in human rights policies or procedures	Human Rights: Stakeholders Training on Human Rights Protection	208
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Social Responsibility: Community Engagement Programme	225
	413-2 Operations with significant actual and potential negative impacts on local communities	Human rights due diligence	204
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Supplier Screening and Onboarding: Ensuring Sustainability and Reducing Risks	240
	414-2 Negative social impacts in the supply chain and actions taken	Supplier Development Initiatives	242
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	Code of conduct and ethics framework	249
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Delivering Superior Value to Customers – Safety, Speed and Delight.	260
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Delivering Superior Value to Customers – Safety, Speed and Delight.	260
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Data Privacy	264

## UNGC Principles

Principle	Principle	Section	Page No.
<b>Human Rights</b>			
<b>Principle 1</b>	Businesses should support and respect the protection of internationally proclaimed human rights; and	Human Rights	202
<b>Principle 2</b>	make sure that they are not complicit in human rights abuses	Human rights	202
<b>Labour</b>			
<b>Principle 3</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Freedom of association	201
<b>Principle 4</b>	the elimination of all forms of forced and compulsory labour;	Human rights	202
<b>Principle 5</b>	the effective abolition of child labour; and	Human rights	202
<b>Principle 6</b>	the elimination of discrimination in respect of employment and occupation.	Discrimination and harassment	209
<b>Environment</b>			
<b>Principle 7</b>	Businesses should support a precautionary approach to environmental challenges;	ESG Governance	145
		Risk and Opportunities	88
<b>Principle 8</b>	undertake initiatives to promote greater environmental responsibility; and	Climate Change	153
		Water Stewardship	167
		Wastewater Management	170
		Promoting responsible waste management practices	172
		Biodiversity	175
<b>Principle 9</b>	encourage the development and diffusion of environmentally friendly technologies.	Climate Change	153
		Water Stewardship	167
		Wastewater Management	170
		Promoting responsible waste management practices	172
		Biodiversity	175
<b>Anti-Corruption</b>			
<b>Principle 10</b>	Businesses should work against corruption in all its forms, including extortion and bribery.	Corporate governance framework at APSEZ	246

## CEO Water Mandate

Mandate and its pledges	Chapter Name	Page No.
<b>Direct operations</b>		
Company pledges to conduct a comprehensive water- use assessment to understand the extent to which the Company uses water in the direct production of goods and services.	Water Stewardship	167
Company pledges to set targets for their operations related to water conservation and waste-water treatment, framed in a corporate cleaner production and consumption strategy.	Water Stewardship: Strategic Targets for 2025	168
Company pledges to invest in and use new technologies to achieve these goals.	Water Stewardship	167
Company pledges to raise awareness of water sustainability within corporate culture.	Water Stewardship	167
Company pledges to include water sustainability considerations in business decision making – e.g., facility- siting, due diligence and production processes.	Water Stewardship	167
<b>Supply chain and watershed management</b>		
Company pledges to encourage suppliers to improve their water conservation, quality monitoring, waste-water treatment and recycling practices	Responsible Procurement: Promoting Responsible Procurement Practices	236
Company pledges to build capacities to analyse and respond to watershed risk	Water Stewardship	167
Company pledges to encourage and facilitate suppliers in conducting assessments of water usage and impacts.	Responsible Procurement: Promoting Responsible Procurement Practices	236
Company pledges to share water sustainability practices – established and emerging – with suppliers.	Responsible Procurement: Promoting Responsible Procurement Practices	236
Company pledges to encourage major suppliers to report regularly on progress achieved related to goals.	Responsible Procurement: Promoting Responsible Procurement Practices	236
<b>Collective action</b>		
Company pledges to build closer ties with civil society organizations, especially at the regional and local levels.	Corporate Social Responsibility	223
Company pledges to work with national, regional and local governments and public authorities to address water sustainability issues and policies, as well as with relevant international institutions – e.g., the UNEP Global Programme of Action	Water Stewardship	167
Company pledges to encourage development and use of new technologies, including efficient irrigation methods, new plant varieties, drought resistance, water efficiency and salt tolerance.	Water Stewardship	167
Company pledges to be actively involved in the UN Global Compact's Country Networks.	Water Stewardship	167
Company pledges to support the work of existing water initiatives involving the private sector – e.g., the Glob- al Water Challenge; UNICEF's Water, Environment and Sanitation Program; IFRC Water and Sanitation Pro- gram; the World Economic Forum Water Initiative – and collaborate with other relevant UN bodies and inter- governmental organizations – e.g. the World Health Organization, the Organization for Economic Co-operation and Development and the World Bank Group.	Water Stewardship	167
<b>Public policy</b>		

Mandate and its pledges	Chapter Name	Page No.
Company pledges to contribute inputs and recommendations in the formulation of government regulation and in the creation of market mechanisms in ways that drive the water sustainability agenda.	Advocacy and leadership at APSEZ	253
Company pledges to exercise 'business statesmanship' by being advocates for water sustainability in global and local policy discussions, clearly presenting the role and responsibility of the private sector in supporting integrated water resource management.	Advocacy and leadership at APSEZ, Water Stewardship	253 & 167
Company pledges to partner with governments, businesses, civil society and other stakeholders – for example specialised institutes such as the Stockholm International Water Institute, UNEP Collaborating Centre on Water and Environment and UNESCO's Institute for Water Education – to advance the body of knowledge, intelligence and tools.	Advocacy and leadership at APSEZ, Water Stewardship	253 & 167
Company pledges to join and/or support special policy- oriented bodies and associated frameworks – e.g., UNEP's Water Policy and Strategy; UNDP's Water Governance Programme.	Advocacy and leadership at APSEZ, Water Stewardship	253 & 167
<b>Community engagement</b>		
Company pledges to endeavour to understand the water and sanitation challenges in the communities where we operate and how our businesses impact those challenges.	Corporate Social Responsibility	341
Company pledges to be active members of the local community and encourage or provide support to local government, groups and initiatives seeking to advance the water and sanitation agendas.	Corporate Social Responsibility	341
Company pledges to undertake water-resource education and awareness campaigns in partnership with local stakeholders.	Corporate Social Responsibility	341
Company pledges to work with public authorities and their agents to support – when appropriate – the development of adequate water infrastructure, including water and sanitation delivery systems.	Corporate Social Responsibility	341
<b>Transparency</b>		
Company pledges to include a description of actions and investments undertaken in relation to The CEO Water Mandate in our annual communications on progress for the UN Global Compact, making reference to relevant performance indicators such as the water indicators found in the Global Reporting Initiative (GRI) Guidelines.	Water Stewardship	167
Company pledges to publish and share our water strategies (including targets and results as well as areas for improvement) in relevant corporate reports, using – where appropriate – the water indicators found in the GRI Guidelines.	Water Stewardship ESG Targets and performance	167 & 149
Company pledges to be transparent in dealings and conversations with governments and other public authorities on water issues	Water Stewardship	167

## Indian Business Biodiversity Initiative (IBBI)

	Indicator	Chapter Name	Page No.
<b>1</b>	<b>Mapping biodiversity interfaces with business operations</b>		
1.1	Number of production sites that have been screened with regard to relevance of potential impacts and dependencies on biodiversity and ecosystem services	Biodiversity: Assessment Done for the operational sites: 14 operational sites have been assessed which include 13 ports location and one logistics site.	179
1.2	Relevance of biodiversity and ecosystem services for each step in the value chain (own operations, suppliers, use phase, end-of-life, transport)	Biodiversity Conservation with Sustainable Practices	175
<b>2</b>	<b>Enhancing awareness on biodiversity within the organisation</b>		
2.1	Number of trained employees on biodiversity and ecosystem services	Biodiversity Awareness and Knowledge: The SHIKHAR FY2024 programme hosted a Biodiversity Knowledge Session, engaging 50 environmental experts from various regions. This session highlighted our efforts in conservation, sustainable resource use, and our strategies for protecting terrestrial ecosystems, combating desertification, and reversing biodiversity loss.	181
2.2	Percentage of employees within organisation who have been sensitised on biodiversity	58%	400, 409
2.3	Activities undertaken to create greater awareness on biodiversity among employees	Biodiversity Awareness and Knowledge: The SHIKHAR FY2024 programme hosted a Biodiversity Knowledge Session, engaging 50 environmental experts from various regions. This session highlighted our efforts in conservation, sustainable resource use, and our strategies for protecting terrestrial ecosystems, combating desertification, and reversing biodiversity loss. Other activities include. <ul style="list-style-type: none"> <li>Celebration of important days such as World Environment Day, Wildlife Week, World Ocean Day, Biodiversity Day, World Wetland Day etc</li> <li>Plantation drives</li> <li>Seminars, lectures, webinars, workshops awareness sessions</li> <li>Video screening</li> </ul>	181
<b>3</b>	<b>Assessing biodiversity risks and opportunities</b>		
3.1	Assessment of impacts and dependencies with regard to biodiversity and ecosystem services	Biodiversity: Biodiversity Risk Assessment Process	178
3.2	Assessment of risks and opportunities with regard to biodiversity and ecosystem services	Biodiversity: Detailed Biodiversity Impact Assessment	178
<b>4</b>	<b>Considering the impacts of business decisions on biodiversity</b>		
4.1	Organisation-wide policy that addresses biodiversity and ecosystem services	1. Biodiversity Policy 2. Environment Policy	181, 396
<b>5</b>	<b>Setting objectives and targets for biodiversity management</b>		

	Indicator	Chapter Name	Page No.
5.1	Strategy for biodiversity and ecosystem management	Biodiversity - Biodiversity Strategy, Biodiversity Commitments/Targets	177
5.2	Action Plan to avoid, minimise, rehabilitate and offset biodiversity impacts	Biodiversity - Mitigation and Enhancement Measures	179
<b>6</b>	<b>Designating an individual within the organisation as biodiversity champion</b>		
6.1	Name, title, and contact details of designated biodiversity champion	Mr Charanjit Singh, Head – ESG & IR – APSEZ has been entrusted as Biodiversity Champion at Corporate level	-
<b>7</b>	<b>Including the applicable biodiversity aspects in the environmental management systems</b>		
7.1	Inclusion of biodiversity aspects in environmental management system	Biodiversity: Formulation of Biodiversity Management Plans	179
<b>8</b>	<b>Encouraging relevant stakeholders to support better biodiversity management</b>		
8.1	Activities undertaken for/with suppliers	Responsible Procurement: Supplier Environmental, Social, and Governance (ESG) Programme Supplier are assessed on biodiversity aspects and aware its suppliers about their policy and commitments.	239
8.2	Activities undertaken for/with customers and consumers	Delivering Superior Value to Customers – Safety, Speed and Delight. APSEZ engage with customers to know their biodiversity aspects and aware its stakeholders about their policy and commitments	260
8.3	Activities for/with other internal and external stakeholders, if any	Biodiversity: Biodiversity Conservations & Restorations across all the operational sites	182
<b>9</b>	<b>Engaging in policy advocacy and dialogue with Government, NGOs and academia on biodiversity concerns</b>		
9.1	Engagement through various platforms (e.g., sharing of best practice, research partner, sponsor)	Our approach to stakeholder engagement	73
9.2	Participation in policy advocacy at International, national, or local level	Advocacy and Leadership at APSEZ APSEZ regularly engages with regulatory authorities on matters related to Biodiversity directly and through Industrial Associations/bodies. APSEZ also does policy advocacy through IUCN Leaders for Nature (India), CII, FICCI etc. Head -ESG and team member also engages in policy dialogue as part of various Industrial, academic and NGO/CSO dialogues on Biodiversity matters.at International, national or local level.	253
<b>10</b>	<b>Initiating the valuation of relevant biodiversity and ecosystem services</b>		
10.1	Valuation of impacts (positive and negative) and dependencies (direct and indirect)	Biodiversity Risk Assessment Process: The ESM (Ecosystem Service Matrix) analysis have been used to identify and evaluate the ecosystem services provided by the various ecosystems within the project boundary and surrounding areas. The APSEZ project, Mundra was analysed based on the ESM methodology to identify the level of impacts, dependencies and management measures implemented to mitigate the risks related to biodiversity.	178

## Board of Directors

(As on May 2, 2024)



**Mr Gautam S. Adani**  
Executive Chairman  
61 years

Mr Gautam S Adani, the Chairman and Founder of the Adani Group, has over 36 years of business experience. Under his leadership, the Adani Group has emerged as a global integrated infrastructure player with interests across resources, logistics and energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with vigour and hard work. This has not only enabled the Group to achieve numerous milestones, but also resulted in the creation of a robust business model, which contributes to building sound infrastructure in India.

### Date of Appointment

26.05.1998

### Tenure as on March 31, 2024

25.8 years

### No. of Directorships in other listed Companies

6

### Skills and Expertise



**Mr Rajesh S. Adani**  
Non-Independent and  
Non-Executive Director  
59 years

Mr Rajesh Adani has been associated with Adani Group since its inception. He is incharge of the operations of the Group and is responsible for developing its business relationships. His proactive, personalised approach to the business and competitive spirit fuels the Group's growth and enables its branching into various businesses.

### Date of Appointment

26.05.1998

### Tenure as on March 31, 2024

25.8 years

### No. of Directorships in other listed Companies

4

### Skills and Expertise



**Mr Karan Adani**  
Managing Director  
37 years

Mr Karan Adani holds a degree in economics from Purdue University, USA. He started his career by learning about the intricacies of port operations at Mundra. Having gained experience across levels of our operations since 2009, he is responsible for the strategic development of the Adani Group and oversees its day-to-day operations. He aims to build the Adani Group identity around an integrated business model, backed by his sound understanding of new processes, systems, macro-economic issues with his growing experience.

### Date of Appointment

24.05.2017

### Tenure as on March 31, 2024

6.9 years

### No. of Directorships in other listed Companies

2

### Skills and Expertise



**Mr Ashwani Gupta**  
Whole Time Director & CEO  
53 years

Mr Ashwani Gupta holds a bachelor's degree in Production & Industrial Engineering from Jawaharlal Nehru Engineering College. He has completed the advanced management program from Harvard Business School as well as the general management program from INSEAD. He was the director, representative executive officer and chief operating officer at Nissan Motor Co. Ltd. and was also the alliance senior vice president of Renault-Nissan-Mitsubishi LCV Business. He has been a guest speaker at Wharton Business School and the Graduate School of Management, Kyoto University.

### Date of Appointment

05.01.2024

### Tenure as on March 31, 2024

2.9 months

### No. of Directorships in other listed Companies

-

### Skills and Expertise



**Prof. G. Raghuram**  
Independent and  
Non-Executive Director  
68 years

Prof. Ganesan Raghuram holds a Bachelor's degree in technology from the Indian Institute of Technology, Madras and a post graduate diploma in management from the Indian Institute of Management (IIM), Ahmedabad and a doctorate in philosophy from Northwestern University, USA. He is currently the Principal Academic Advisor of the National Rail and Transportation Institute and Professor (Emeritus) at the Gujarat Maritime University.

transport systems, logistics and supply chain management. He is a fellow of the Operational Research Society of India and Chartered Institute of Logistics and Transport. He has teaching experience at universities in India, USA, Canada, Yugoslavia, Singapore, Tanzania, UAE and Japan.

### Date of Appointment

09.08.2014

### Tenure as on March 31, 2024

9.6 years

### No. of Directorships in other listed Companies

1

### Skills and Expertise



\* Prof. G. Raghuram was appointed on 14.05.2012 as independent director on the Board of the Company. However, he was appointed for the first term of 5 years w.e.f. 09.08.2014 and second term of 5 years w.e.f. 09.08.2019 as independent director pursuant to the provisions of Section 149 of the Companies Act, 2013.



**Mr G.K. Pillai**  
Independent and  
Non-Executive Director  
74 years

Mr G. K. Pillai is a distinguished alumnus of IIT Madras. He retired from the IAS as Union Home Secretary in 2011. While working for the State Government of Kerala, he held various positions, including that of District Collector, Quilon, Special Secretary Industries, Secretary Health and Principal Secretary to the Chief Minister. For the Government of India, he worked in the ministries of Defence, Surface Transport, Home and Commerce. He was the Chairman of Board of Approvals for SEZ, chief negotiator for India at the WTO and Secretary Commerce, Government of India.

**Date of Appointment**

09.08.2014

**Tenure as on March 31, 2024**

9.6 years

**No. of Directorships in other listed Companies**

1

**Skills and Expertise**



\*Mr G. K. Pillai was appointed on 14.05.2012 as independent director on the Board of the Company. However, he was appointed for the first term of 5 years w.e.f. 09.08.2014 and second term of 5 years w.e.f. 09.08.2019 as independent director pursuant to the provisions of Section 149 of the Companies Act, 2013.



**Mr Bharat Sheth**  
Independent and  
Non-Executive Director  
68 years

Mr Bharat K. Sheth obtained his Bachelor of Science in Economics from St. Andrews University, Scotland. He is Deputy Chairman and Managing Director of The Great Eastern Shipping Company Limited, one of India's premier shipping enterprises. Born in 1958 to India's first family of shipping entrepreneurs, Mr Sheth joined the industry in 1981. In the initial years of his career, he worked in The Great Eastern Shipping Company, gaining hands-on experience in the business. He was inducted into the Company's Board as an Executive Director in 1989 and became Managing Director in 1999.

In August 2005, he was appointed Deputy Chairman & Managing Director. Mr Sheth was inducted on the Board of Directors of North of England P&I Association Limited in October 2005 and on the Board of Steamship Mutual Association (Bermuda) Limited in February 2006. He is on the

Board of Indian National Shipowners Association and International Tanker Owners Pollution Federation Limited. The Company is now an esteemed global shipping company through his ability in timing the markets. Under his active leadership, Great Eastern navigated tumultuous cycles across the last two decades.

**Date of Appointment**

15.10.2019

**Tenure as on March 31, 2024**

4.5 years

**No. of Directorships in other listed Companies**

1

**Skills and Expertise**



**Mr P.S. Jayakumar**  
Independent and  
Non-Executive Director  
61 years

Mr P. S. Jayakumar is a Chartered Accountant and holds a Post Graduate Diploma in Business Management from XLRI Jamshedpur. Mr Jayakumar worked for 23 years in Citibank (India and Singapore offices) and his last assignment in Citibank was as Country Head for the Consumer Banking Group. In 2015, Mr Jayakumar was selected by the Government of India to serve as the Managing Director and CEO for Bank of Baroda, the first person from the private sector to run a large public sector bank. He led a successful transformation of Bank of Baroda and completed three-way merger between Bank of Baroda, Vijaya Bank and Dena Bank. Mr Jayakumar

possesses a rich experience in the banking and financial sectors.

**Date of Appointment**

23.07.2020

**Tenure as on March 31, 2024**

3.7 years

**No. of Directorships in other listed Companies**

3

**Skills and Expertise**



**Mrs M V Bhanumathi**  
Independent and  
Non-Executive Director  
61 years

Mrs M. V. Bhanumathi has 36 years of experience in public service. Joined Indian Revenue Service in the year 1987 and retired as the Director General of Income Tax Investigation of Mumbai region in May 2022. She held many prestigious positions in Government of India and represented India in many international bodies. She has served as the co-chairperson of Asia Pacific Regional Review Group for Anti Money Laundering and Counter Financing of Terrorism of the FATF and contributed in strengthening of the regulatory and policy structures of the countries in the region.

M Phil in social Sciences from Punjab University and Masters Diploma in Public Administration from Indian Institute of Public Administration.

She was a recipient of Kusumtai S.B. Chavan medal for best participation in the Advanced Programme in Public Administration and commendation letter from the then Finance Minister Late Shri Arun Jaitley for excellence in tax investigation.

She is currently serving as an expert adviser on Tax Crime in the panel of UNDP, Independent Director on the Board of UPL Sustainable Agri Solutions Limited and trustee in Pratham Mumbai, an educational initiative.

Her educational qualifications are B.Sc and M.Sc degree in Agriculture from Tamil Nadu Agriculture University, Bachelor of Law from Delhi University,

**Date of Appointment**

28.02.2024

**Tenure as on March 31, 2024**

1 month

**No. of Directorships in other listed Companies**

-

**Skills and Expertise**





**Mr Rajkumar Beniwal**

Non-Independent &  
Non-Executive Director  
46 years

Mr Rajkumar Beniwal is an officer of the Indian Administrative Service (IAS) from the 2004 batch (Gujarat Cadre), with an experience of nearly two decades of public service. With an academic foundation that includes a B. Tech. degree in Mechanical Engineering from IIT (BHU), Varanasi, and a Master's in Public Administration from the prestigious Duke University, US, his competence has been reflected time and again in his remarkable handling of various Government of Gujarat assignments.

His distinguished track record includes his tenures as Collector & District Magistrate (Mehsana & Ahmedabad), and District Development Officer in Kutch. He has also coordinated two Vibrant Gujarat summits successfully during 2017 and 2018.

Currently in his multi-faceted role, he not only serves as the full-time Vice-Chairman & CEO of Gujarat Maritime Board but also holds the additional charges of the positions of Managing Director at Gujarat Urban Development Company Limited, Additional CEO of Gujarat Urban Development Mission, and Commissioner of Municipalities Administration. These roles reflect his commitment to driving urban development and managing effective administration of Urban Local Bodies in Gujarat.

Now, during a pivotal transformation phase in Gujarat's ports and maritime sector, Mr Rajkumar Beniwal brings his

wealth of experience to the fore. A capable administrator with outstanding communication skills, he has linguistic proficiencies in English, Gujarati and Hindi.

Given his extensive experience, Mr Rajkumar Beniwal is poised to make significant contributions to the growth and development of Gujarat's ports and maritime sector particularly at a time when the Gujarat port sector has also diversified by taking up strategic projects related to development of an alternate dispute resolution centre, multimodal logistics parks, logistics facilities for liquid cargo to name a few. His expertise will be instrumental in ensuring that Gujarat continues to be a leader in India's maritime industry.

**Date of Appointment**

09.11.2023

**Tenure as on March 31, 2024**

4.8 months

**No. of Directorships in other listed Companies**

1

**Skills and Expertise**



**Skills and Expertise**

Business Leadership

Risk Management

Corporate Governance & ESG

Financial Expertise

Global Experience

Merger & Acquisition

Technology & Innovation

Industry Experience

# Corporate Information

## Board of Directors

### Mr. Gautam S. Adani

Chairman

### Mr. Rajesh S. Adani

Non-Executive &  
Non-Independent Director

### Mr. Karan Adani

Managing Director

### Mr. Ashwani Gupta

Whole-Time Director & CEO

### Mr. Rajkumar Beniwal, IAS

Non-Executive &  
Non-Independent Director

### Prof. G. Raghuram

Independent Director

### Mr. G. K. Pillai

Independent Director

### Mr. Bharat Sheth

Independent Director

### Mr. P. S. Jayakumar

Independent Director

### Mrs. M. V. Bhanumathi

Independent Director

## Company Secretary

Mr. Kamlesh Bhagia

## Chief Financial Officer

Mr. D. Muthukumar

## Statutory Auditors

M/s. M S K A & Associates,  
Chartered Accountants,  
Ahmedabad

## Registered Office

Adani Corporate House,  
Shantigram, Near Vaishno Devi Circle,  
S. G. Highway, Khodiyar,  
Ahmedabad-382421 Gujarat  
Website: [www.adaniports.com](http://www.adaniports.com)

## Committees

### Audit Committee

Mr. G. K. Pillai, Chairman  
Prof. G. Raghuram, Member  
Mr. P. S. Jayakumar, Member

### Nomination and Remuneration Committee

Mr. P. S. Jayakumar, Chairman  
Mr. G. K. Pillai, Member  
Prof. G. Raghuram, Member

### Stakeholders

#### Relationship Committee

Prof. G. Raghuram, Chairman  
Mr. G. K. Pillai, Member  
Mr. Karan Adani, Member

### Corporate Social Responsibility Committee

Prof. G. Raghuram, Chairman  
Mr. G. K. Pillai, Member  
Mr. Karan Adani, Member

### Risk Management Committee

Mr. G. K. Pillai, Chairman  
Mr. Bharat Sheth, Member  
Mr. Karan Adani, Member

### Corporate Responsibility Committee

Prof. G. Raghuram, Chairman  
Mr. G. K. Pillai, Member  
Mr. P. S. Jayakumar, Member

### Information Technology & Data Security Committee

Mr. P. S. Jayakumar, Chairperson  
Prof. G. Raghuram, Member  
Mr. G. K. Pillai, Member

### Merger & Acquisitions Committee

Mr. P. S. Jayakumar, Chairman  
Mr. G. K. Pillai, Member  
Mr. Karan Adani, Member

## Legal, Regulatory & Tax Committee

Prof. G. Raghuram, Chairman  
Mr. P. S. Jayakumar, Member  
Mr. Karan Adani, Member

## Reputation Risk Committee

Mr. Bharat Sheth, Chairman  
Prof. G. Raghuram, Member  
Mr. Karan Adani, Member

## Registrar and Transfer Agent

M/s. Link Intime India Private Limited  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai-400083  
Phone: +91-22-49186270  
Fax: +91-22-49186060

## Bankers and Financial Institutions

Axis Bank Ltd.  
Barclays Bank PLC  
Citibank N.A.  
DZ Bank AG  
Standard Chartered Bank  
Bank Mizrahi  
India Exim Bank  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IDFC First Bank Ltd.  
IndusInd Bank Ltd.  
Kotak Mahindra Bank Ltd.  
Mizuho Bank Ltd.  
State Bank of India  
Yes Bank Ltd.  
Sumitomo Mitsui Banking  
Corporation  
MUFG Bank Ltd.  
DBS Bank  
Hatton National Bank PLC  
Sampath Bank PLC

## IMPORTANT COMMUNICATION TO SHAREHOLDERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its shareholders/members. To support this green initiative of the Government in full, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses and in case of shareholders holding shares in demat, with depository through concerned Depository Participants.

## Directors' Report

### Dear Shareholders,

Your Directors are pleased to present the 25<sup>th</sup> Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2024 ("FY 2023-24/ FY24").

### Financial Performance

The Audited Financial Statements of your Company as on March 31, 2024, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below:

Particulars	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	26,710.56	20,851.91	6,806.66	5,237.15
Other Income	1,499.42	1,552.71	1,977.36	2,998.79
<b>Total Income</b>	<b>28,209.98</b>	<b>22,404.62</b>	<b>8,784.02</b>	<b>8,235.94</b>
Expenditure other than Depreciation and Finance cost	10,846.64	8,018.46	2,382.04	1,966.50
Finance Cost				
- Interest and Bank Charges	2,784.41	2,593.62	2,766.78	2,769.50
- Derivative Gain (net)	(51.47)	(230.98)	(3.80)	(89.11)
- Foreign Exchange (Gain) / Loss (net)	112.82	1,886.32	451.49	2,446.14
Depreciation and Amortisation Expenses	3,888.46	3,424.71	655.59	612.98
<b>Total Expenditure</b>	<b>17,580.86</b>	<b>15,692.13</b>	<b>6,252.10</b>	<b>7,706.01</b>
<b>Profit before share of Profit/ (Loss) from joint ventures, exceptional items and tax</b>	<b>10,629.12</b>	<b>6,712.49</b>	<b>2,531.92</b>	<b>529.93</b>
Share of Profit/(Loss) from joint venture (net)	(161.69)	47.78	-	-
<b>Profit before exceptional items and tax</b>	<b>10,467.43</b>	<b>6,760.27</b>	<b>2,531.92</b>	<b>529.93</b>
Add/(Less):- Exceptional Items	(373.70)	(1,273.38)	-	(1,558.16)
Total Tax Expense/(Credit)	1,989.74	96.04	793.57	(548.80)
<b>Profit/(Loss) for the year</b>	<b>8,103.99</b>	<b>5,390.85</b>	<b>1,738.35</b>	<b>(479.43)</b>
<b>Other Comprehensive (Loss)/Income (net of tax)</b>	<b>(31.45)</b>	<b>(557.33)</b>	<b>(6.81)</b>	<b>6.57</b>
<b>Total Comprehensive (Loss)/Income for the year (net of tax)</b>	<b>8,072.54</b>	<b>4,833.52</b>	<b>1,731.54</b>	<b>(472.86)</b>
Attributable to:				
Equity holders of the parent	8,070.53	4,745.34	-	-
Non-controlling interests	2.01	88.18	-	-

1. There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year and the date of this report.
2. Previous year figures have been regrouped/re-arranged wherever necessary.
3. There has been no change in nature of business of your Company.

## Performance Highlights

Your Company handled record cargo throughput of 420 MMT in FY24 with 24% YoY growth. Mundra Port continues to be India's largest seaport with 180 MMT of total cargo handled during the year under review.

The key aspects of your Company's operational performance during the FY24 are as follows:

- **Ports:**
  - Domestic cargo volumes grew 21% YoY vs 7.5% growth in India's cargo volumes.
  - The overall container volumes jumped to ~9.7 million TEUs (+13% YoY), including ~7.4 million TEUs at Mundra Port alone.
  - 10 domestic ports in APSEZ portfolio recorded their highest ever cargo volumes.
  - Mundra Port berthed one of the largest container ships ever – MV MSC Hamburg, 399 m long and 54 m wide, with a carrying capacity of 15,908 TEUs and a current reported draught of 12 m.
  - Progressively, non-Mundra ports volume share in APSEZ ports portfolio is growing. In FY24, Mundra port's volume share in APSEZ's total volumes (excluding Haifa) was 44%, vs 46% in FY23. This indicates volume diversification and reduction in concentration risk. Similar trends were also witnessed in APSEZ ports' container volumes, Mundra Port's share in APSEZ total container volumes (excluding Haifa) has come down to 76% in FY24 from 77% in FY23. Also, the cargo volume share of east coast ports has increased to 43% in FY24 from 39% previous year.
- **Logistics:**
  - Record containers transported through rail during the year with growth of 19% YoY to reach 5,97,507 TEUs.
  - Bulk cargo witnessed a strong growth with 40% YoY increase and recorded its highest ever GPWIS cargo volumes of 20.1 MMT.
  - Added 34 rakes taking total rakes count to 127.
  - Commissioned Loni, Valvada, and Virochannagar MMLPs, during the year taking the total count to 12.

- Operational silo capacity increased to ~1.2 MMT with the commissioning of Samastipur and Darbhanga agri silos commissioned during the year.
- Total warehousing capacity increased to 2.4 Mn Sq Ft during the year with addition of warehouses at Mumbai and Indore.

The detailed operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

## Credit Rating

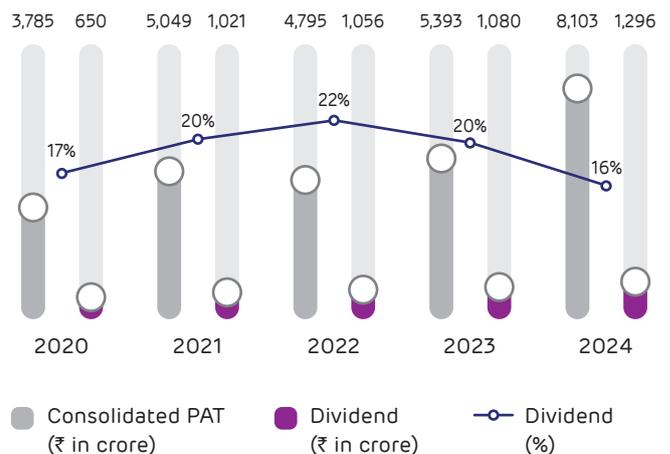
The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. The details of credit rating are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Dividend and Reserves

### Dividend

Your Directors have recommended a dividend of ₹ 6 (300%) per Equity Share of ₹ 2 each and 0.01% dividend on 0.01% Non-Cumulative Redeemable Preference Shares of ₹ 10 each for FY24. The dividend is subject to approval of shareholders at the ensuing Annual General Meeting (AGM) and shall be subject to deduction of tax at source. The dividend, if approved by the shareholders, would involve a cash outflow of ₹ 1,296.08 crore.

## Shareholders Payout



### Dividend Distribution Policy

The Dividend Distribution and Shareholder Return Policy, in terms of Regulation 43A of the SEBI Listing Regulations is available on your Company's website on [https://www.adaniports.com/-/media/Project/Ports/Investor/corporate\\_governance/Policies/Dividend-Distribution-and-Shareholder-Return-Policy.pdf](https://www.adaniports.com/-/media/Project/Ports/Investor/corporate_governance/Policies/Dividend-Distribution-and-Shareholder-Return-Policy.pdf). The current year lower payout ratio is because of the recently and voluntarily adopted program to maintain a lower leverage of upto 2.5x EBITDA.

### Unclaimed Dividends

Details of outstanding and unclaimed dividends previously declared and paid by the Company are given under the Corporate Governance Report, which forms part of this Integrated Annual Report.

### Transfer to Reserves

As permitted under the Act, the Board does not propose to transfer any amount to General Reserves. The closing balance of the retained earnings of your Company for FY24, after all appropriations and adjustments, was ₹ 15,204.42 crore.

### Share Capital

During the year under review, there was no change in the authorized and paid-up share capital of your Company. The authorized share capital of your Company is ₹ 2,100 crore and paid-up share capital of your Company is ₹ 434.53 crore.

### Non-Convertible Debentures (NCDs)

During the year under review, your Company has issued and allotted 50,000 rated, listed, secured redeemable NCDs of face value of ₹ 1 lakh each aggregating to ₹ 500 crore on a private placement basis.

Your Company has outstanding Listed, Secured Redeemable NCDs of face value of ₹ 10 lakh each aggregating to ₹ 7,252 crore. These NCDs are listed on the wholesale debt market segment of BSE Limited.

During the year under review, your Company redeemed 16,000 NCDs of face value of ₹ 10 lakh each aggregating to ₹ 1,600 crore.

### Buyback of Senior Unsecured Notes ('Senior Notes') - Rule 144A/Regulation

The Board approved the proposal to buy back 3.375% US\$ 650 million Senior Notes due in 2024 in one or more tranches. During the year under review, your Company completed tranche II of early settlement of Senior Notes tendered pursuant to

the Tender Offer to purchase for cash up to US\$ 195 million, cumulatively aggregating to USD 325 million.

For the remaining outstanding Senior Notes, the Company may choose to either accelerate or defer this plan subject to its own liquidity position and the market conditions and further subject to the terms, including the pricing and market dynamics.

### Strategic Acquisitions/Divestment

- Your Company had entered into a Share Purchase Agreement for sale of its investment of 49% in Adani Ennore Container Terminal Private Limited, a wholly owned subsidiary, on December 14, 2023. The completion of which is subject to fulfillment of certain conditions precedents.
- Your Company has entered into a definitive agreement on March 25, 2024 to acquire 95% stake of Gopalpur Ports Limited ("GPL") from the existing shareholders of GPL. The completion of which is subject to fulfillment of certain conditions precedents.

### Public Deposits

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of FY24 or the previous financial years. Your Company did not accept any deposit during the year under review.

### Particulars of loans, guarantees or investments

The provisions of Section 186 of the Act, with respect to a loan, guarantee, investment or security are not applicable to your Company, as your Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Act. The particulars of loans, guarantee and investments made during the year under review, are given in the notes forming part of the financial statements.

### Subsidiaries, Joint Ventures and Associate Companies

A list of subsidiaries / associates / joint ventures of your Company is provided as part of the notes to the consolidated financial statements.

During the year under review, the following entities were formed/acquired by the Company / subsidiaries / joint ventures:

- Poseidon Leasing IFSC Limited
- Udanvat Leasing IFSC Limited
- Mandhata Build Estate Private Limited

- Nabhganga Enterprises Private Limited
- Griptronics Enterprises Private Limited
- Adrita Realtors Private Limited
- Agratas Projects Private Limited
- Dependencia Infrastructure Private Limited
- IAV Urja Services Limited
- Veracity Supply Chain Private Limited
- East Africa Gateway Ltd., Abu Dhabi
- Harbour Services Lanka (Pvt) Ltd., Sri Lanka

During the year under review, the following entities ceased to be subsidiary/joint venture/associate of the Company:

- Adani Krishnapatnam Container Terminal Private Limited (wholly owned subsidiary of Adani Krishnapatnam Port Limited)
- PT IOT EPC Indonesia (subsidiary company of Indianoil Adani Ventures Limited)

IndianOil Adani Venture Limited, JV entity has incorporated IAV Udaan Limited as wholly owned subsidiary company on April 19, 2024.

Adani Agri Logistics Limited ('AALL'), a step-down subsidiary of the Company has acquired 100% stake of Kliptek Projects Private Limited on April 26, 2024, Nihita Green Energy Private Limited and Vidip Realtors Private Limited on April 29, 2024.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, your Company has prepared consolidated financial statements of the Company and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, which forms part of this Integrated Annual Report.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholders during working hours at your Company's registered office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the audited financial statements, including consolidated financial statements and related information of your Company and audited accounts of each of its subsidiaries, are available on website of your Company ([www.adaniports.com](http://www.adaniports.com)).

## Material Subsidiaries

Based on Financial Statement as on March 31, 2024, the Company has 7 (Seven) unlisted material subsidiaries. Your Company has formulated a policy for determining material subsidiaries. The policy is available on your Company's website and link for the same is given in **Annexure-A** of this report.

Pursuant to Section 134 of the Act read with rules made thereunder, the details of developments at the level of subsidiaries and joint ventures of your Company are covered in the Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

## Directors and Key Managerial Personnels

As of March 31, 2024, your Company's Board had eleven members comprising of three Executive Directors, two Non-Executive and Non-Independent Directors and six Independent Directors including two Women Directors. The details of Board and Committee composition, tenure of directors, and other details are available in the Corporate Governance Report, which forms part of this Integrated Annual Report.

In terms of the requirement of the SEBI Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's business for effective functioning. The key skills, expertise and core competencies of the Board of Directors are detailed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Appointment/Cessation/Change in Designation of Directors

During the year under review, following changes took place in the Directorships:

### Appointment:

- Mr. Rajkumar Beniwal, IAS (DIN: 07195658), Vice Chairman & CEO, Gujarat Maritime Board was appointed as an Additional Director of your Company w.e.f. November 9, 2023. His appointment was approved by the shareholders in the Extra Ordinary General Meeting held on January 6, 2024.
- Mr. Ashwani Gupta (DIN: 10455435) was appointed as Chief Executive Officer and Whole Time Director of the Company w.e.f. January 4, 2024 and January 5, 2024, respectively. His appointment was approved by the shareholders through Postal Ballot on April 2, 2024.
- Mrs. M. V. Bhanumathi (DIN: 10172983) was appointed as an Additional Director (Non

Executive Independent) of the Company w.e.f. February 28, 2024. Her appointment was approved by the shareholders through Postal Ballot on April 2, 2024.

#### Change in designation:

- Mr. Gautam Adani (DIN: 00006273) was redesignated as Executive Chairman w.e.f. January 4, 2024 for remaining period of his appointment.
- Mr. Karan Adani (DIN: 03088095) was redesignated as Managing Director of the Company w.e.f. January 4, 2024 for the remaining period of his appointment.

#### Cessation:

- Mr. Ranjitsinh B. Barad, IAS (DIN: 07559958), representing Gujarat Maritime Board, resigned as Director of the Company w.e.f. June 23, 2023.
- Dr. Malay Mahadevia (DIN: 00064110) resigned as Director of the Company w.e.f. January 3, 2024.
- Mrs. Nirupama Rao (DIN: 06954879) ceased as an Independent Director of the Company w.e.f. April 21, 2024 on completion of her tenure.

The Board places on record the deep appreciation for valuable services and guidance provided by Mr. Ranjitsinh Barad, IAS, Dr. Malay Mahadevia and Mrs. Nirupama Rao during their tenure of directorship.

#### Re-appointment of Director(s) retiring by rotation

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr. Karan Adani (DIN: 03088095) is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Mr. Karan Adani as Director for your approval. Brief details, as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of AGM.

#### Declaration from Independent Directors

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to

their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

#### Key Managerial Personnel:

As on the date of this report, following are Key Managerial Personnel ("KMPs") of the Company as per Sections 2(51) and 203 of the Act:

- Mr. Gautam S. Adani, Executive Chairman
- Mr. Karan Adani, Managing Director
- Mr. Ashwani Gupta, Whole Time Director & CEO
- Mr. D. Muthukumar, Chief Financial Officer
- Mr. Kamlesh Bhagia, Company Secretary

#### Committees of Board

As required under the Act and the SEBI Listing Regulations, your Company has constituted various statutory committees. Additionally, the Board has formed other governance committees and sub-committees to review specific business operations and governance matters including any specific items that the Board may decide to delegate. As on March 31, 2024, the Board has constituted the following committees / sub-committees.

#### Statutory Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

#### Governance Committees:

- Corporate Responsibility Committee
- Information Technology & Data Security Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee
- Merger & Acquisitions Committee

Details of all the committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

#### Number of meetings of the Board

The Board met 10 (ten) times during the year under review. The intervening gap between the meetings did not exceed 120 days, as prescribed under the Act and SEBI Listing Regulations. The details of board meetings

and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

### Independent Directors' Meeting

The Independent Directors met on March 29, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### Board Evaluation

The Nomination and Remuneration Committee (NRC) engaged Talentonic HR Solutions Private Limited, an external advisory company, to facilitate the evaluation and effectiveness process of the Board, its committees and individual Directors for FY24.

A detailed Board effectiveness assessment questionnaire was developed by the external advisory company based on the criteria and framework adopted by the Board. Virtual meetings were organized with the Directors and discussions were held on three key themes i.e. strategic direction, fit-for-use and focus on environment, social and governance.

The results of the evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The recommendations arising from the evaluation process were discussed at the Independent Directors' meeting held on March 29, 2024 and also at the NRC meeting and Board meeting held on May 1, 2024 and May 2, 2024, respectively. The suggestions were considered by the Board to optimize the effectiveness and functioning of the Board and its committees.

### Board Familiarisation and Training Programme

The Board is regularly updated on changes in statutory provisions, as applicable to your Company. The Board is also updated on the operations, key trends and risk universe applicable to your Company's business. These updates help the Directors in keeping abreast of key changes and their impact on your Company. An annual strategy retreat is conducted by your Company where the Board provides its inputs on the business

strategy and long-term sustainable growth for your Company. Additionally, the Directors also participate in various programmes /meetings where subject matter experts apprise the Directors on key global trends. The details of such programmes are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

### Policy on Directors' appointment and remuneration

Pursuant to Section 178(3) of the Act, your Company has framed a policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") which is available on the website of your Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

The Remuneration Policy for selection of Directors and determining Directors' independence sets out the guiding principles for the NRC for identifying the persons who are qualified to become the Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on review of achievements. The Remuneration Policy is in consonance with existing industry practice.

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy.

### Board Diversity

The Company recognizes and embraces the importance of a diverse Board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to the diversity of the Board of Directors. The said Policy is available on your Company's website and link for the same is given in **Annexure-A** of this report.

### Succession Plan

Your Company has an effective mechanism for succession planning which focuses on orderly succession of Directors, Key Management Personnel and Senior Management. The Nomination and Remuneration Committee implements this mechanism in concurrence with the Board.

### Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from the management of your Company, confirm that:

- a. in the preparation of the Annual Financial Statements, the applicable accounting standards have been followed and there are no material departures;

- b. they have selected such accounting policies and applied them consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. proper and sufficient care has been taken for the 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 fraud and other irregularities;
- d. the annual financial statements have been prepared on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Internal Financial control system and their adequacy

The details in respect of internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

### Risk Management

The Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. The Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for the Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further details on the Risk Management activities, including the implementation of risk management policy, key risks identified and their mitigations are covered in Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

### Board policies

The details of various policies approved and adopted by the Board as required under the Act and SEBI Listing Regulations are provided in **Annexure – A** to this report.

### Corporate Social Responsibility (CSR)

The details of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report. The CSR policy is available on the website of your Company at <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code-of-Conduct.pdf>. The Annual Report on CSR activities is annexed and forms part of this report.

The Chief Financial Officer of your Company has certified that CSR spends of your Company for FY24 have been utilized for the purpose and in the manner approved by the Board of your Company.

### Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a section forming part of this Integrated Annual Report.

### Corporate Governance Report

Your Company is committed to maintain highest standards of corporate governance practices. The Corporate Governance Report, as stipulated by SEBI Listing Regulations, forms part of this Integrated Annual Report along with the required certificate from a Practicing Company Secretary, regarding compliance of the conditions of corporate governance, as stipulated.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company at [https://www.adaniports.com/corporate-governance/Policies/Code\\_of\\_Conduct.pdf](https://www.adaniports.com/corporate-governance/Policies/Code_of_Conduct.pdf)

### Business Responsibility & Sustainability Report (BRSR)

In accordance with the SEBI Listing Regulations, the BRSR for the FY 24, describing the initiatives taken by your Company from an environment, social and governance (ESG) perspective, forms part of this Integrated Annual Report. In addition to BRSR, the Integrated Annual Report of the Company provides an insight on various ESG initiatives adopted by the Company.

### Annual Return

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on March 31, 2024 prepared in accordance with Section 92(3) of the Act is made available on the website of your Company and can be accessed

using the <https://www.adaniports.com/-/media/Project/Ports/Investor/Investor-Downloads/Annual-Return/Annual-Return-2024.pdf>.

### Transactions with Related Parties

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.

The Audit Committee comprises solely of the Independent Directors of your Company. The members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested.

During the year, your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

During the year, the material related party transactions pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations had been duly approved by the shareholders of the Company in the Extra Ordinary General Meeting held on January 6, 2024.

Your Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders.

The Policy on Related Party Transactions is available on your Company's website and can be accessed using the link <https://www.adaniports.com/Investors/Corporate-Governance>.

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions.

### Statutory Auditors & Auditors' Report

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No 117366W/W-100018) resigned causing a casual vacancy as Statutory Auditor of the Company w.e.f. August 12, 2023.

Your Company appointed M/s. M S K A & Associates, Chartered Accountants (firm registration no.

105047W) as the Statutory Auditors of the Company to fill the casual vacancy till the date of ensuing AGM.

In pursuance of the recommendation received from Audit Committee of the Company, the Board has approved appointment of M/s. M S K A & Associates, Chartered Accountants (firm registration no. 105047W) as the Statutory Auditors of the Company for a period of 5 years from conclusion of ensuing AGM to conclusion of AGM to be held in calendar year 2029 subject to approval of Shareholders at the ensuing AGM.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory.

### Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, read with the rules made thereunder, the Board re-appointed Mr. Ashwin Shah, Practicing Company Secretary, to undertake the Secretarial Audit of your Company for FY24. The Secretarial Audit Report for the year under review is provided as **Annexure-B** of this report.

### Explanation to Statutory and Secretarial Auditors' Comment:

The Statutory Auditor's and Secretarial Auditor's qualifications have been appropriately dealt with in Note No. 44 of the standalone financial statements and Note No. 54 of the consolidated financial statements.

### Secretarial Audit of Material Unlisted Indian Subsidiary

As per the requirements of SEBI Listing Regulations, the Practicing Company Secretaries appointed by respective material subsidiaries of the Company undertook secretarial audit of these subsidiaries for FY24. Each secretarial audit report confirms that the relevant material subsidiary has complied with the provisions of the Act, rules, regulations and guidelines and that there were no deviations or non-compliances. The secretarial audit reports of each material subsidiary forms part of this Integrated Annual Report.

### Secretarial Standards

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

### Reporting of frauds by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditor of your Company have not reported

any instances of fraud committed in your Company by Company's officers or employees, to the Audit Committee, as required under Section 143(12) of the Act.

### Particulars of Employees

Your Company had 1,192 (standalone basis) employees as of March 31, 2024.

The information required under Section 197 of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel to the median of employees' remuneration are provided in **Annexure-C** of this report.

The statement containing particulars of employees, as required under Section 197 of the Act, read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. However, in terms of Section 136 of the Act, the Integrated Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure, which is available for inspection by the shareholders at the Registered Office of your Company during business hours on working days of your Company. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to the Company Secretary in this regard.

### Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICs), at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and make decisions at the respective locations. The Company has zero tolerance on sexual harassment at the workplace. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. The employees are required to undergo a mandatory training/ certification on POSH to sensitize themselves and strengthen their awareness.

During the year under review, your Company has not received any complaint pertaining to sexual harassment.

All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by your Company.

### Vigil Mechanism

Your Company has adopted a whistle blower policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The vigil mechanism of your Company provides for adequate safeguards against victimization of whistle blowers who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of your Company at <https://www.adaniports.com/corporate-governance/Policies/Whistle-Blower-Policy.pdf>.

During the year under review, your Company has not received any complaints under the vigil mechanism.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, as amended is provided as **Annexure-D** of this report.

### Cyber Security

In view of increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in Cyber Security.

### Code for prevention of insider trading

Your Company has adopted a Code of Conduct ("Code") to regulate, monitor and report trading in Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia,

lays down the procedures to be followed by designated persons while trading/ dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website and link for the same is given in **Annexure-A** of this report.

The employees undergo mandatory training/ certification on this Code to sensitize themselves and strengthen their awareness.

### General Disclosures

Neither the Executive Chairman nor the CEO of your Company received any remuneration or commission from any of the subsidiary of your Company.

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions/events of these nature during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of your Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and your Company's operation in future.

4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by your Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Act).
5. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
6. One time settlement of loan obtained from the Banks or Financial Institutions.
7. Revision of financial statements and Directors' Report of your Company.

### Acknowledgement

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, Maritime Boards, concerned Government Departments, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in your Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that your Company continues to grow and excel.

For and on behalf of the Board of Directors

Date: May 2, 2024  
Place: Ahmedabad

**Gautam S. Adani**  
Chairman  
(DIN: 00006273)

## Annexure- A to the Directors' Report

Sr. No.	Policy Name	Web-link
1	Vigil Mechanism / Whistle Blower Policy [Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act]	<a href="#">Click here for Policy</a>
2	Policy for procedure of inquiry in case of leak or suspected leak of unpublished price sensitive information [Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations]	<a href="#">Click here for Policy</a>
3	Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information [Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations]	<a href="#">Click here for Policy</a>
4	Terms of Appointment of Independent Directors [Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act]	<a href="#">Click here for Policy</a>
5	Familiarization Program [Regulations 25(7) and 46 of SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
6	Related party transactions [Regulation 23 of SEBI Listing Regulations and as defined under the Act]	<a href="#">Click here for Policy</a>
7	Policy on Material Subsidiary [Regulation 24 of the SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
8	Material Events Policy [Regulation 30 of SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
9	Website content Archival Policy [SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
10	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
11	Nomination and Remuneration Policy of Directors, KMP and other Employees [Regulation 19 of the SEBI Listing Regulations and as defined under Section 178 of the Act]	<a href="#">Click here for Policy</a>
12	CSR Policy [Section 135 of the Act]	<a href="#">Click here for Policy</a>
13	Dividend Distribution and Shareholder Return Policy [Regulation 43A of the SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
14	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
15	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
16	Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders [Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations]	<a href="#">Click here for Policy</a>

## Annexure- B to the Directors' Report

### Secretarial Audit Report

**Form No. MR-3**

**for the financial year ended March 31, 2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

**Adani Ports and Special Economic Zone Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Adani Ports and Special Economic Zone Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives in the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period);
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
  - a. The Explosives Act, 1884 and Gas Cylinder Rules, 2004
  - b. The Legal Metrology Act, 2009 & The Gujarat Legal Metrology (Enforcement) Rules, 2011
  - c. The Petroleum Act, 1934 and The Petroleum Rules, 2002

- d. The Gujarat Special Economic Zone Act, 2004 & The Gujarat Special Economic Zone Rules, 2005
- e. The Merchant Shipping Act, 1958
- f. International Convention For The Safety of Life At Sea, 2002
- g. Gujarat Maritime Board Act, 1981
- h. The Indian Railways Act, 1989 & Wagon Investment Scheme

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India.
- b. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. ("LODR")

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of certain e-forms with additional fees.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** the Company has made various submissions to regulatory authorities including show cause notice during the audit period. The Company is taking steps to conclude the regulatory and adjudication proceedings.

**I further report that** during the audit period, the Company has passed resolution for Appointment of M/s. M S K A & Associates, Chartered Accountants (firm registration no. 105047W) as the Statutory Auditors of the Company to fill the casual vacancy caused by resignation of Deloitte Haskins & Sells LLP, till the date of next Annual General Meeting to be held in calendar year 2024 as ordinary resolution.

**I further report that** during the audit period, the Company has passed special resolutions for:

1. Payment of remuneration by way of commission or otherwise to Non Executive Director(s) including Independent Director(s) of the Company.
2. Approval of Amendment to the Articles of Association of the Company.
3. Issue, offer and allot 0.01% nonconvertible, redeemable preference shares ('NCRPS') on private placement basis.

**CS Ashwin Shah**

Company Secretary

C.P.No. 1640

Quality Reviewed 2021

PRC:1930/2022

UDIN:F001640F000285539

Ahmedabad

May 2, 2024

**Note:** This report is to be read with our letter of even date which is annexed as 'Annexure- A' and forms an integral part of this report.

## 'Annexure-A'

To  
The Members  
**Adani Ports and Special Economic Zone Limited**

My report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Ahmedabad  
May 2, 2024

**CS Ashwin Shah**  
Company Secretary  
C.P.No. 1640  
Quality Reviewed 2021  
PRC:1930/2022  
UDIN:F001640F000285539

## Secretarial Audit Report

Form No. MR-3

for the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014)]

To,  
The Members,  
**ADANI LOGISTICS LIMITED**  
CIN:U63090GJ2005PLC046419  
Ahmedabad.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADANI LOGISTICS LIMITED, (CIN: U63090GJ2005PLC046419)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: **Not Applicable to the company during the Audit period;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:- **Not Applicable to the company during the Audit period**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not Applicable to the company during the Audit period;**
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable to the company during the Audit period; and**
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: **Not Applicable to the company during the Audit period.**

(vi) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:-

- a. The Indian Railway Act, 1989
- b. The Punjab Shops and Establishment Act, 1958
- c. The Contract Labour Regulation and Abolition Act, 1970
- d. The Food Safety and Standards Act, 2006
- e. The Customs Act, 1962
- f. The Central Excise Act, 1944

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreement / SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchanges:- **Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as applicable. The changes in the composition of the Board that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In certain cases, the shorter notice was given for meetings and the consent of all Directors was taken for the same.

All decisions at Board Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that during the year under review:**

1. During the year under review, Mr. Vikram Jaisinghani (DIN: 00286606) resigned from the position of Managing Director and Mr. Sushant Kumar Mishra (DIN: 07869414) appointed as Managing Director of the company.
2. M/s MSKA & Associates , Chartered Accountants were appointed as Statutory Auditors in the casual vacancy caused due to resignation of M/s Deloitte Haskins & Sells LLP, Chartered Accountants.

**We further report that,** during the audit period there were no other specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc referred to above.

For, **P.PARIKH & ASSOCIATES**

**Parthiv Parikh**

Proprietor

FCS No. 2692

C P No.: 19200

Date: May 1, 2024

Place: Ahmedabad

UDIN :F002692F000286569

Peer Review Certificate

No :2238/2022

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure A

The Members,

**ADANI LOGISTICS LIMITED**

CIN :U63090GJ2005PLC046419

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **P.PARIKH & ASSOCIATES**

**Parthiv Parikh**

Proprietor

FCS No. 2692

C P No.: 19200

UDIN: F002692F000286569

Peer Review Certificate No :2238/2022

Date: May 1, 2024

Place: Ahmedabad

## Secretarial Audit Report

### Form No. MR-3

### for the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

#### ADANI HAZIRA PORT LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Adani Hazira Port Limited** (herein after referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have verified the records maintained by the Company. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have online examined the books, papers, minute books, forms and returns filed and other records maintained by Adani Hazira Port Limited ("the Company") for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) Since the Company is not listed on the stock exchange and does not intend to get its shares listed on the Stock Exchange the Regulations and

Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company.

- (vii) There are no laws which are specifically applicable to the Company.

Since the Company is not listed on the stock exchange, provisions of the SEBI (LODR) Regulations, 2015 are not applicable. We have examined compliance with applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India for holding Board and General meetings.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period of the Company, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For, **Ravi Kapoor & Associates**

**Ravi Kapoor**

Company Secretary in practice

FCS No. 2587

C P No.: 2407

UDIN: FO02587F000276938

Place: Ahmedabad

Date: April 30, 2024

## Annexure-A

To,  
The Members  
**ADANI HAZIRA PORT LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **Ravi Kapoor & Associates**

**Ravi Kapoor**  
Company Secretary in practice  
FCS No. 2587  
C P No.: 2407  
UDIN: F002587F000276938

Place: Ahmedabad  
Date: April 30, 2024

## Secretarial Audit Report

### Form No. MR-3

### for the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**ADANI HARBOUR SERVICES LIMITED**  
**(FORMERLY KNOWN AS THE ADANI HARBOUR SERVICES LIMITED)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADANI HARBOUR SERVICES LIMITED (CIN: U61100GJ2009FLC095953)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder:- **Not Applicable to the company during the Audit period;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment And External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: - **Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: - **Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: - **Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: - **Not Applicable to the company during the Audit period;**

- i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: - **Not Applicable to the company during the Audit period.**
- (vi) Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:
- a. Indian Ports Act, 1908
  - b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s): - **Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that,** the Board of Directors of the Company is duly constituted in compliance with the Act and rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and rules made thereunder.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and

clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**We further report that** during the year Company has passed following special resolution in Extra Ordinary General Meeting held on September 4, 2023:

1. Change of name of the Company from The Adani Harbour Services Limited to Adani Harbour Services Limited.

**CS Neha Soni**

Partner

Chirag Shah and Associates

FCS No.12555

C P No.:17008

Place: Ahmedabad

UDIN: F012555F000287104

Date: May 1, 2024

Peer Review Cer. No.: 704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## 'Annexure A'

To,

The Members

**ADANI HARBOUR SERVICES LIMITED**

**(FORMERLY KNOWN AS THE ADANI HARBOUR SERVICES LIMITED)**

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**CS Neha Soni**

Partner

Chirag Shah and Associates

FCS No.12555

C P No.:17008

UDIN: F012555F000287104

Peer Review Cer. No.: 704/2020

Place: Ahmedabad

Date: May 1, 2024

## Secretarial Audit Report

Form No. MR-3

for the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**ADANI KRISHNAPATNAM PORT LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADANI KRISHNAPATNAM PORT LIMITED (CIN: U45203GJ1996PLC128239)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder: - **Not Applicable to the company during the Audit period;**
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas

Direct Investment and External Commercial Borrowings. - **Not Applicable to the company during the Audit period;**

- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: - **Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: - **Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: - **Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: - **Not Applicable to the company during the Audit period; and**
  - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: - **Not Applicable to the company during the Audit period.**

(vi). Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:

- a. Indian Ports Act, 1908
- b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s): - **Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that,** the Board of Directors of the Company is duly constituted in compliance with the Act and rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and rules made thereunder.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that,** during the year the Scheme of Amalgamation was filed and pursuant to the order no.

RD/(NWR)/233(10)/2023-24/1650 dated 24<sup>th</sup> July, 2023 of Regional Director, North-Western Region, Adani Krishnapatnam Container Terminal Private Limited, wholly owned subsidiary of the Company gets amalgamated with the Company.

**We further report that,** during the year, Company has passed following special resolutions;

1. In Annual General Meeting held on August 03, 2023:
  - a. To appoint Mr. G. J. Rao (DIN: 01724002) as a Managing Director of the Company.
2. In their respective meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors held on April 25, 2023:
  - a. To approve the Scheme of Amalgamation of Adani Krishnapatnam Container Terminal Private Limited, a wholly owned subsidiary (Transferor Company) with its Holding Company Adani Krishnapatnam Port Limited (Transferee Company) and their respective shareholders and creditors under Section 233 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.
3. In the Extra Ordinary General Meeting held on January 09, 2024:
  - a. To consider and approve alteration of main object of Memorandum of Association of the Company.

**CS Bhavi Parikh**

Partner

Samdani Shah And Kabra

ACS No. 23190

C P No.: 8740

Place: Ahmedabad

UDIN: A023190F000278161

Date: April 30, 2024

Peer Review Cert. No.: 1079/2021

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**'Annexure A'**

To,  
The Members  
**ADANI KRISHNAPATNAM PORT LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: April 30, 2024

**CS Bhavi Parikh**  
Partner  
Samdani Shah And Kabra  
ACS No. 23190  
C P No.: 8740  
UDIN: A023190F000278161  
Peer Review Cert. No.: 1079/2021

## Secretarial Audit Report

### Form No. MR-3

### for the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**THE DHAMRA PORT COMPANY LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **THE DHAMRA PORT COMPANY LIMITED (CIN: U45205OR1998PLC005448)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder: - **Not Applicable to the company during the Audit period;**
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: -**Not Applicable to the company during the Audit period;**
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: -**Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: -**Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: - **Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: - **Not Applicable to the company during the Audit period; and**
  - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: -**Not Applicable to the company during the Audit period.**

(vi). Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:

- a. Indian Ports Act, 1908
- b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s):- **Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, however the position of Company Secretary was filled after a gap of 312 days.

**We further report that,** the Board of Directors of the Company is duly constituted in compliance with the Act and rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and rules made thereunder.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**We further report that,** during the reporting period Company has passed following Special Resolution in Annual General Meeting held on August 05, 2023:

1. Appointment of Mr. Sushant Kumar Mishra (DIN: 07869414), as a Managing Director liable to retire by rotation.

**CS Neha Soni**

Partner

Chirag Shah and Associates

FCS No.12555

C P No.:17008

Place: Ahmedabad

UDIN: F012555F000287093

Date: May 1, 2024

Peer Review Cer. No.: 704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## 'Annexure A'

To,  
The Members  
**THE DHAMRA PORT COMPANY LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: May 1, 2024

**CS Neha Soni**  
Partner  
Chirag Shah and Associates  
FCS No.12555  
C P No.:17008  
UDIN: F012555F000287093  
Peer Review Cer. No.: 704/2020

## Secretarial Audit Report

Form No. MR-3

for the financial year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Adani Gangavaram Port Limited**  
**(Formerly "Adani Gangavaram Port Private Limited)**  
(CIN: U61100GJ2021PLC124091)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Adani Gangavaram Port Limited (CIN: U61100GJ2021PLC124091)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder: - **Not Applicable to the company during the Audit period;**
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - **Not Applicable to the Company during the Audit period;**
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: -**Not Applicable to the company during the Audit period;**
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: -**Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: -**Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: - **Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable to the company during the Audit period;**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: - **Not Applicable to the company during the Audit period; and**
  - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: - **Not Applicable to the company during the Audit period.**

(vi). Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:

- a. Indian Ports Act, 1908
- b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s): - **Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**, the Board of Directors of the Company is duly constituted in compliance with the Act and rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and rules made thereunder.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views if any, are captured and recorded as part of the minutes.

**We further report that**, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**We further report that** during the year Company has passed following Resolution in Extra Ordinary General Meeting held on August 26, 2023:

1. Appointment of M/s. M S K A & Associates, Chartered Accountants as Statutory Auditors of the Company to fill the casual vacancy on resignation of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants.

**Parthiv Parikh**

Proprietor

P.PARIKH & ASSOCIATES

FCS No. 2692

C P No.: 19200

UDIN:F002692F000286613

Peer Review

Certificate No: 2238/2022

Date: May 1, 2024

Place: Ahmedabad

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## 'Annexure A'

To,  
The Members  
**Adani Gangavaram Port Limited**  
**(Formerly "Adani Gangavaram Port Private Limited)**  
**(CIN: U61100GJ2021PLC124091)**

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: May 1, 2024  
Place: Ahmedabad

**Parthiv Parikh**  
Proprietor  
P.PARIKH & ASSOCIATES  
FCS No. 2692  
C P No.: 19200  
UDIN:F002692F000286613  
Peer Review Certificate No: 2238/2022

## Annexure – C to the Directors' Report

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2023-24:**

Name of Directors/KMP	Ratio of remuneration to median remuneration of employees	% increase in remuneration in the financial year
<b>Executive Directors:</b>		
Mr. Gautam S. Adani	19.40:1	(60.87)
Mr. Karan Adani	42.03:1	(27.69)
Mr. Ashwani Gupta <sup>1</sup>	33.62:1	N.A.
<b>Non-Executive Directors:</b>		
Mr. Rajesh S. Adani <sup>2</sup>	0.54:1	-
Dr. Malay Mahadevia <sup>3</sup>	0.46:1	-
Mr. Ranjitsinh B. Barad, IAS <sup>4</sup>	-	-
Mr. Rajkumar Beniwal, IAS <sup>5</sup>	-	-
Prof. G. Raghuram <sup>6</sup>	3.50:1	-
Mr. G. K. Pillai <sup>6</sup>	3.74:1	-
Mrs. Nirupama Rao <sup>6</sup>	2.91:1	-
Mr. Bharat Sheth <sup>6</sup>	2.69:1	-
Mr. P. S. Jayakumar <sup>6</sup>	3.23:1	-
Mrs. M. V. Bhanumathi <sup>7</sup>	0.25:1	-
<b>Key Managerial Personnel:</b>		
Mr. D. Muthukumar <sup>8</sup>	63.69:1	N.A.
Mr. Kamlesh Bhagia	6.25:1	11.93

<sup>1</sup>Appointed w.e.f. January 5, 2024

<sup>2</sup>Reflects sitting fees

<sup>3</sup>Reflects sitting fees (Resigned w.e.f. January 3, 2024)

<sup>4</sup>Resigned w.e.f. June 23, 2023

<sup>5</sup>Appointed w.e.f. November 9, 2023

<sup>6</sup>Reflects sitting fees and commission

<sup>7</sup>Appointed w.e.f. February 28, 2024 and reflects sitting fees and commission

<sup>8</sup>Appointed as Chief Financial Officer w.e.f. July 25, 2022, hence, previous year remuneration is not comparable

- ii) **The percentage increase in the median remuneration of employees in the financial year:** 9.28%
- iii) **The number of permanent employees on the rolls of Company:** 1,192 (standalone basis) as on March 31, 2024
- iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
- Average increase in remuneration of employees excluding KMPs: 9.24%
  - Average increase in remuneration of KMPs: (13.42%)\*
- \* For the purpose of calculating % increase in remuneration of KMPs, only those KMPs who were appointed through out the current and previous financial year, are considered for comparable.
- vi) **Key parameters for any variable component of remuneration received by the Directors**
- Executive Directors: Nomination and Remuneration Committee determines the variable compensation annual based on their individual and organization performance.
- Non Executive Directors: Not applicable.
- vii) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**
- The Company affirms remuneration is as per the Remuneration Policy of the Company.

## Annexure – D to the Directors' Report

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

#### A. Conservation of Energy

##### I) Steps taken or impact on conservation of energy

- Diesel Saving Initiative – Four Mobile Harbour Crane converted from engine mode to electrical mode for ship to shore operation. Reduction of diesel consumption by 1 lakh liters annually.
- The average power factor of the system has been maintained up to 0.96 for Multi-purpose Terminal (MPT).
- Water heat pump with 300L tank installed at bungalow no. 5 in shantivan colony, resulting into saving of approx 70% electricity compared to conventional resistive electric water heater.

##### II) Steps taken by the Company for utilizing alternate sources of energy

- Solar alternate energy used and generated 27,23,060 units for MPT.

##### III) Capital investment on energy conservation equipment – Not applicable

#### B. Technology Absorption

##### I) Effort made towards technology absorption :

- Four new STS Cranes are commissioned which have the following new technologies and safety systems in-built, which significantly targets safety of Manpower/Equipment and improve efficiency of operator and better productivity.
  - a) Chassis Positioning System.
  - b) Vessel Profiling System
  - c) Optical Character Recognition (OCR) System
  - d) Auto Lubrication System
  - e) Online Vibration Monitoring System
  - f) Boom Anti Collision and CCTV Camera System
- Old conventional energy meter installed for the monitoring of energy consumption in the flats and other facilities are now replaced by smart meter at Shantivan Cluster (Qty- 644 nos.)

**Benefit :** Online monitoring of electrical parameters and better tracking of energy consumption across cluster. It also saves manhours used for collecting the consumption from these meters at the end of every months manually.
- Old 11 KV panels replaced by 11KV RMU (ring main unit) at Shantivan colony  
**Benefit :** This panel was old and working on switchgears. Now this panel is working on IED relay system which is latest technology. It has enabled the auto changeover of power between PGVCL to DG or vice versa. Earlier this changeover was done with manual intervention. This has not only reduced the downtime whenever there is a power failure at PGVCL side but also enhanced the safety at site by eliminating the manual intervention.
- Electrical Smart meter installation for all the solar plant installation at 9 locations  
**Benefit :** Online monitoring of power generation and other parameters . It has also enabled the team for better and quick tracking of faults in any of the solar installation which are spread in very wider area.

- Old air conditioners which were more than 15 years old and were energy inefficient were replaced by inverter type ACs at Samudra township. (Qty-56 nos.)

**Benefit:** It has improved operational efficiency & also providing energy saving.

II) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

### C. Foreign Exchange Earnings and Outgo

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

Particulars	(₹ in core)	
	2023-24	2022-23
Foreign exchange earned	110.44	113.86
Foreign exchange outgo	1,501.61	1,653.45

## Annexure to the Directors' Report

### Annual Report on Corporate Social Responsibility (CSR) Activities as per Section 135 of the Companies Act, 2013 for The Financial Year 2023-24

#### 1. Brief outline on CSR Policy of the Company

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The Company carried out/get implemented its CSR activities/projects through Adani Foundation and other such agencies. The Company has identified Education, Community Health, Sustainable Livelihood and Community Infrastructure as the core sectors for CSR activities.

#### 2. Composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Nirupama Rao <sup>1</sup>	Chairperson	2	2
2	Mr. G. K. Pillai	Member	2	2
3	Prof. G. Raghuram	Member	2	2
4	Dr. Malay Mahadevia <sup>2</sup>	Member	2	2
5	Prof. G. Raghuram <sup>3</sup>	Chairman	-	-

<sup>1</sup>Ceased as member w.e.f. April 21, 2024.

<sup>2</sup>Ceased as member w.e.f. January 3, 2024.

<sup>3</sup>Designated as Chairman w.e.f. April 21, 2024.

#### 3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. -

<https://www.adaniports.com/Investors/Corporate-Governance>

#### 4. Provide the executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - Not applicable during the year under review.

5. (a) Average net profit of the company as per section 135(5) : ₹ 391.83 crore  
 (b) Two percent of average net profit of the company as per section 135(5) : ₹ 7.84 crore  
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : -  
 (d) Amount required to be set-off for the financial year, if any. : -  
 (e) Total CSR obligation for the financial year [(b)+ (c)- (d)] : ₹ 7.84 crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 7.55 crore  
 (b) Amount spent in Administrative Overheads : ₹ 0.29 crore  
 (c) Amount spent on Impact Assessment, if applicable : -  
 (d) Total amount spent for the Financial Year [(a)+ (b)+ (c)] : ₹ 7.84 crore

(e) CSR amount spent or unspent for the Financial Year : -

Total Amount Spent for the Financial Year. (₹ In Cr.)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
7.84	--			--	

(f) Excess amount for set-off, if any : -

SI No	Particulars	Amount (₹ In Cr.)
(i)	Two percentage of average net profit of the company as per section 135(5)	7.84
(ii)	Total amount spent for the Financial Year	7.84
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in the succeeding Financial Years [(iii)-(iv)]	-

#### 7. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
SI No	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1							
2	FY-2							
3	FY-3							

#### 8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes  No

If yes, enter the number of capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
--	--	--	--	--	CSR Registration Number, if applicable	Name	Registered address
--	--	--	--	--	--	--	--

#### 9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135: Not Applicable

Gautam S. Adani  
Chairman  
DIN: 00006273

Prof. G. Raghuram  
Chairman - CSR Committee  
DIN: 01099026

# Management Discussion & Analysis

## Company Overview

Adani Ports and Special Economic Zone Limited (APSEZ) is the largest port developer and operator in India, with a total operating capacity of 627 MMTPA (million metric tonnes per annum) (including under construction terminals and ports and Gopalpur Port). The company is promoted by the Adani Group and is operating from seven maritime states of India namely Gujarat, Maharashtra, Goa, Tamil Nadu, Andhra Pradesh, Puducherry, and Odisha. APSEZ's domestic ports/terminals account for approximately one-fourth of the country's total port capacity, and the Company manages large volumes of cargo from both coast areas and the hinterland. The Company is also developing a container transshipment port at Vizhinjam in Kerala and has forayed in the state of West Bengal with the initiation of the implementation of designing, building, financing, operating and maintaining the bulk mechanised terminal (Berth #2) at Haldia Dock Complex, Haldia. APSEZ's operating ports/terminals capacity is divided between the west and east coasts of India, with broadly 60% of its capacity located on the west coast and 40% on the east coast.

The Company is also slowly establishing its global presence and is currently present in four international geographies – Australia, Israel, Tanzania and Sri Lanka. APSEZ owns the Haifa Port in Israel while has an O&M contract for Abbot Point Bulk Coal Terminal in Australia and Container Terminal 2 at the Dar es Salaam Port in Tanzania. The Company is also developing a trans-shipment container terminal at Colombo Port in Sri Lanka.

APSEZ has set an ambitious goal to become World's leading integrated transport utility company and the world's largest private port company by 2030. APSEZ is dedicated to achieving carbon neutrality by 2025, demonstrating its commitment to reducing emissions and controlling global warming to 1.5°C above pre-industrial levels. The Company aims to become carbon-positive by 2030, further validating its commitment to sustainability and reducing its impact on the environment.

## Highlights of FY 2023-24



### Ports

- The Dhamra LNG Terminal commenced commercial operations during the year. The first LNG vessel was berthed safely at LNG Terminal on April 1, 2023 and completed her unloading operation (cargo qty 51,196.756 MT) on April 14, 2023.
- Mundra led from the front in promoting sustainability in maritime trade and issued a trade circular for the exemption of vessels utilising liquefied natural gas (LNG) as fuel. This scheme is a significant step towards reducing carbon emissions in the maritime industry.
- APSEZ clocked its highest ever monthly cargo of 38.12 MMT in March 2024. In addition, the flagship Mundra Port surpassed the milestone of successfully handling 17 MMT cargo in a single month. This historic milestone marks the first instance in Indian maritime history where a port has handled such a substantial volume of cargo in a month.
- Mundra Port completed 25 years of operations in 2023.
- APSEZ successfully completed the integration of Haifa & Karaikal Ports in its folds in the period of FY 2023-24.
- Vizhinjam Port berthed its first vessel (carrying project equipment) in October 2023.
- APSEZ announced a second strategic partnership with Terminal Investment Limited (TiL), the container terminal operating and investing arm of MSC, the largest container shipping line in the world, for the operation of Adani Ennore Container Terminal Pvt Ltd (AECTPL). Terminal Investment Ltd, through its fully owned subsidiary Mundi Ltd, will acquire a 49% shareholding of AECTPL from APSEZ for a consideration of ₹ 247 crore.
- Future-Ready Infrastructure: APSEZ ports continue to transcend the operational excellence benchmarks of the ports sector in India. In continuation of the same phenomenon, in 2023, Mundra Port berthed one of the longest vessel ever, MV MSC Hamburg, (399 meters long and 54 meters wide vessel) with

a carrying capacity of 15,908 TEUs & in the same period, Krishnapatnam berthed its largest vessel measuring 335.94 m LOA and 42.94 m beam

- Several ports in the APSEZ ports portfolio, viz., Mundra Port, Tuna Terminal, Hazira Port, Mormugao Terminal, Karaikal Port, Ennore Terminal, Kattupalli Port, Krishnapatnam Port, Gangavaram Port & Dhamra Port achieved their highest ever annual cargo handling in the period FY 2023-24 thereby demonstrating the readiness of APSEZ to serve the maritime trade.
- APSEZ entered into a definitive agreement to purchase 95% stake in the Gopalpur Port situated in the Ganjam District of Odisha to further attain the east coast to west coast geographical diversification and to have access to the mining hubs of Odisha region.



### Logistics

- Total count of logistics park reached 12 with addition of 3 MMLPs (Virochannagar, Loni, Valvada)
- Successfully inducted 34 rakes in this financial year taking our overall rake count to 127
- ALL added ~0.8 million sq. ft. of warehousing capacity after addition of WHs in Indore & Mumbai (Kalyan). This takes the overall capacity to ~2.4 million sq. ft.
- Successfully demonstrated road to rail conversion in the Mundra Maliya cluster, and transported around 30k TEUs by rail.
- Total agri silo capacity increased to 1.2 MMT with addition of 2 agri silos (Samastipur and Darbhanga)
- Initiated construction activities on locations identified for setting up agro silos granted through competitive bidding.
- Launched trucking business segment during the year with 900 trucks to provide last-mile connectivity to the customers from ports/ICDs/customer premises



### SEZ, BD & Industrial Zones (IZ)

- Mundra SEZ is the largest multi-sector SEZ in India. Excellent multimodal connectivity makes SEZ an attractive investment destination for setting up export focused industries. Cluster-based development approach has been adopted for

industries in textiles, chemicals, engineering, etc. sectors. With investment exceeding ₹ 70,000 crore and employment in excess of 34,000 (direct & indirect), Mundra SEZ is working ceaselessly to attract even more investments for manufacturing.

- Maritime clusters are planned across various Ports of APSEZ for ensuring captive cargoes. Allotment of land at various ports are being sought to develop industrial areas for ensuring Industry led Port Growth in port cargo.
- Construction of storage tanks for crude oil by IOCL is at an advanced stage of implementation. This will ensure an additional 10 MMTPA crude oil tonnage to Mundra Port.
- Major works related to Natural Gas distribution network in Mundra SEZ have been completed in current FY and the pipeline connectivity for the natural gas supply to Mundra Industrial Area is expected to go live by next year.
- Ready to Use Facilities including CFS / warehouse in Mundra SEZ have been planned for SEZ as well as DTA entities, who desire to take on rent such developed infrastructure facilities on a long-term basis.
- Construction of storage tanks for crude oil by HRRL is at an advanced stage of implementation. This will ensure an additional 8 MMTPA crude oil tonnage to Mundra Port.



### Global Economic Overview

The global economy displayed remarkable resilience in 2023; however, the pace of growth remains slow. According to the International Monetary Fund (IMF), global growth maintained stability, holding at a modest rate of 3.2%, compared to 3.5% in 2022. However, underlying risks and vulnerabilities persist due to escalating geopolitical conflicts, sluggish recovery in China, volatility in energy and food markets, prolonged higher interest rates and inflation. Furthermore, the Red Sea crisis has caused the biggest diversion of global trade in decades, leading to delays and heightened expenses for shipping lines that are avoiding a waterway that normally handles 12% of the world's maritime trade. As the crisis continues to unfold, its far-reaching impact on global supply chains has become increasingly evident in terms of heightened costs for the Shipping Lines and excess costs for the shippers owing to levy of war premiums in addition to schedule disruptions. Despite these challenges, indications of stable growth,

strong performance of the United States and several large emerging market and developing economies, along with inflation returning to target levels in advanced economies, indicate a diminished risk of a severe economic downturn.

Global inflation continues to recede at a faster pace from 8.7% in 2022 to 6.8% in 2023. Despite headline inflation experiencing a decline from its unprecedented peaks, core inflation has remained persistent and is expected to decline gradually.

Prices increased in April due to falling global oil inventories. Geopolitical tensions also supported crude oil prices amid conflict between Iran and Israel, which added uncertainty to already heightened tensions in the Middle East. Despite these tensions, crude oil price volatility has been subdued for much of this year by significant spare crude oil production capacity.

Despite the major economic shocks, global trade has been resilient in recent years. Merchandise trade experienced a decline of 1.2% in 2023 as import demand in real terms fell sharply in Europe, declined in North America and remained flat in Asia. However, imports surged in the Middle East and the Commonwealth of Independent States (CIS) region.

### Region-wise growth (%)

Region	2023	2024 (P)	2025 (P)
Global Economy	3.2	3.2	3.2
Advanced Economies (AEs)	1.6	1.7	1.8
Emerging Markets and Developing Economies (EMDEs)	4.3	4.2	4.2

(E - Estimates, P - Projections)

(Source: International Monetary Fund)

### Performance of major economies

**United States:** The US economy expanded more quickly than expected. Its GDP increased from 1.9% in 2022 to 2.5% in 2023. The US has witnessed the strongest recovery among major economies, marked by a stronger performance in private consumption, swift containment of a looming banking crisis, a tight labour market, and rising wages.

**China:** China's GDP grew from 3.0% in 2022 to 5.2% in 2023. The shakier economic growth recovery of China in 2023 is attributed to depression in the real estate market and tepid demand. China's central banks announced cutting the reserve requirement ratio (RRR) for all banks by 50 basis points (bps) as part of a slew of measures to support the fragile economy.

**United Kingdom:** The GDP in the UK contracted from 4.3% in 2022 to 0.1% in 2023. The decline in growth reflects tighter monetary policies to curb still-high inflation and lingering impacts of the terms-of-trade shock from high energy prices.

**Japan:** Economic growth in Japan increased to 1.9% in 2023 from 1.0% in 2022, bolstered by pent-up demand, a surge in inbound tourism, accommodative policies and a rebound in auto exports that had earlier been held back by supply chain issues.

**Germany:** The GDP in Germany shrank by 0.3% in 2023 from 1.8% in 2022, due to the impact of high energy prices, weaker industrial demand and higher interest rates.

(Source: IMF Economic Outlook, April 2024; World Trade Organisation; Economic Times)

### Outlook

The global economy is expected to maintain its resilience in 2024, with the IMF projecting global growth of 3.2% for both 2024 and 2025. Concurrently, global headline inflation is forecasted to decrease to 5.9% in 2024 and 4.5% in 2025. With the improvement in the economic landscape, the World Trade Organisation predicts a moderate recovery in global merchandise trade volume, with growth rates expected to reach 2.6% in 2024 and further increase to 3.3% in 2025.

The global economic outlook in 2024 will be impacted by elevated interest rates as the war against inflation is not over and continues to be threatened by multiple factors including persistent core inflation, withdrawal of fiscal support amid high debt weighing on economic activity, low underlying productivity growth, a tight job market and economic uncertainties. Furthermore, the prolonged Russia-Ukraine conflict has the potential to further dampen the overall economic outlook of the European Union. Additionally, an escalation in geopolitical tensions in West Asia could raise energy and commodity prices, reduce energy supply, increase the risks of supply disruptions, and pose downside risks for the disinflationary trend and the overall global economy. However, positive factors, such as faster disinflation, stronger-than-expected economic performance of the US and several large emerging market and developing economies, economic stimulus in China, the resilience of Europe amid the ongoing war, and easing of supply chain bottlenecks will bolster the outlook of the global economy.

(Source: IMF Economic Outlook, April 2024; World Trade Organisation)



## Indian Economic Overview

Amid a challenging global economic landscape and deteriorating geopolitical conditions, India has been a bright spot. It is the fifth-largest economy in the world and is poised to retain its position as the world's fastest-growing major economy. Its GDP growth remained robust at 7.6% in FY 2023-24 as against 7% in FY 2022-23, supported by strong domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves. Furthermore, an accelerated pace of economic reforms and increased capital expenditure facilitated construction activities and created extensive employment opportunities across the country. The International Monetary Fund (IMF) praised India's economic resilience, impressive growth, and significant advancements in formalisation and digital infrastructure.

### Growth of the Indian Economy

	FY 2021-22	FY 2022-23	FY 2023-24 (E)
Real GDP growth (%)	9.1	7.0	7.6

(E - Estimates)

(Source: Ministry of Statistics & Programme Implementation)

As per the Second Advance Estimates of National Income, FY 2023-24, a double-digit growth rate of 10.7% in the Construction sector and an 8.5% growth rate in the Manufacturing sector have contributed to the GDP growth in FY 2023-24. Moreover, India's IIP growth during FY 2023-24 stood at 5.86%, up from 5.3% in the corresponding period in the previous year. The Electricity sector recorded a growth of 7.05%. The Mining and Manufacturing sectors also recorded a higher growth of 7.5% and 5.4% respectively during the same period.

The growth in gross value added (GVA) at Basic (2011-12) Prices is pegged at 6.9% in FY 2023-24 as against 6.7% in FY 2022-23. The Real Gross Domestic Product (GDP) or GDP at Constant (2011-12) Prices for FY 2023-24 is estimated to reach ₹ 172.90 lakhs crore, compared to the First Revised Estimates (FRE) of GDP of ₹ 160.06 lakhs crore in FY 2022-23.

Despite a subdued external environment, India's overall trade deficit is estimated to significantly improve by 35.77% from USD 121.62 billion in FY 2022-23 to USD 78.12 billion in FY 2023-24. Merchandise trade deficit improved by 9.33% at USD 240.17 billion compared to USD 264.90 billion in the previous fiscal year. Total merchandise exports declined by 3.10% to USD 437.06 billion in FY 2023-24 compared to USD 451.07 billion in FY 2022-23. Electronic Goods, Drugs & Pharmaceuticals, Engineering Goods, Iron Ore, Cotton Yarn/Fabric/made-ups, Handloom products, etc., and Ceramic products & glassware were

major contributors to export growth. Merchandise imports contracted by 5.40% to USD 677.24 billion compared to USD 715.97 billion in FY 2022-23.

A positive trend is observed in CPI inflation, which has been on a downward trajectory and eased to 4.85% in March 2024. According to the Reserve Bank of India (RBI), CPI inflation is estimated at 5.4% for FY 2023-24. The RBI, in its efforts to control inflation and boost economic growth, maintains the policy repo rate at 6.50% and remains vigilant and prepared to implement effective measures to achieve the target of 4% inflation.

The structural interventions implemented by the government will continue to contribute to the growth of India's economy. 'Make in India' has made significant achievements and is now focusing on 27 sectors under 'Make in India 2.0' to make India a manufacturing hub. India has reported meteoric improvement in Ease of Doing Business and ranked 63<sup>rd</sup> among 190 countries. As part of the Reducing Compliance Burden exercise, more than 41,000 compliances have been reduced to promote Ease of Doing Business and increase competitiveness.

(Source: Ministry of Statistics & Programme Implementation; Ministry of Finance; RBI; Ministry of Commerce & Industry)

### Interim Budget FY 2024-25

The Interim Budget 2024-25 reflects the government's continued focus on inclusive development, economic stability, sector-specific developments, environmental sustainability and strategic global positioning. The budget lays the foundation for the vision of a 'Viksit Bharat' (Developed India) by 2047 and outlines a multi-pronged economic management strategy, including infrastructure development, digital public infrastructure, taxation reforms and proactive inflation management.

The government has raised the capital expenditure outlay by 11.1% to ₹ 11.1 lakhs crore for FY 2024-25, which would be 3.4% of the GDP. Additionally, the outlay for the Production Linked Incentive (PLI) scheme has been increased by 33.5% to ₹ 6,200 crore.

The allocation for the Ministry of Road Transport and Highways (MoRTH) increased by 2.8% to ₹ 2.78 lakhs crore for FY 2024-25. Furthermore, ₹ 2.55 lakhs crore has been allocated for the Ministry of Railways, surpassing the previous year's record of ₹ 2.4 lakhs crore. Three major economic railway corridor programmes (i) energy, mineral and cement corridors, (ii) port connectivity corridors, and (iii) high traffic density corridors, are identified under the PM Gati Shakti to be implemented to improve logistics efficiency and reduce cost.

(Source: Ministry of Finance)

### Outlook

India's economic outlook is optimistic, with robust domestic demand, a broad-based revival in manufacturing and services sectors, increased capital expenditure,

proactive policy measures by the government, and positive business and consumer sentiments, providing impetus to the growth momentum going forward. According to the IMF, the Indian economy is expected to grow steadily at 6.8 % in FY 2024-25 and 6.5% in FY 2025-26.

There are potential risks to India's economic trajectory stemming from factors such as escalating geopolitical conflicts, political stability, fluctuations in global financial markets, geoeconomic fragmentation, and climate-related shocks. However, India's advantageous geopolitical position will help it capitalise on supply chain diversification and reshoring, increase its global competitiveness and boost exports. Furthermore, a conducive domestic policy environment will strengthen the infrastructural and manufacturing base, ensure efficiencies, create economies of scale, increase exports and make India an integral part of the global value chain.

The substantial increase in capital expenditure for infrastructure development, with a focus on projects such as the development of railway corridor projects, roads and logistics is poised to revolutionise multi-modal connectivity across the country, positioning India as a prominent global industrial hub.

The establishment of Dedicated Freight Corridors (DFCs) is expected to play a crucial role in streamlining freight logistics, reducing costs, and facilitating easier access to the Northern hinterland via Western Ports, while also stimulating the development of new industrial hubs and Gati Shakti Cargo Terminals. Moreover, DFCs will also alleviate congestion on India's heavily burdened roads and highways. The shift from diesel-operated trucks to electrified rail, along with the implementation of energy-efficient corridors, is expected to curtail India's fossil fuel consumption and contribute to a reduction in the nation's carbon footprint.

Furthermore, the flagship initiative 'Sagarmala', with a strategic focus on modernising Indian ports, enhancing port connectivity, fostering Port Led Industrialisation, Coastal Shipping and Inland Water Transport (IWT) and Coastal Community Development, encompasses 839 projects worth investment of ~₹ 5.8 lakhs crore for implementation by 2035. Out of which, 262 projects worth ~₹ 1.4 lakhs crore have been completed and the remaining projects are under various stages of implementation and development. The Sagarmala program is a pivotal initiative aimed at connecting Indian ports with industrial clusters, thereby reducing logistics costs, and serving as a vital engine for economic growth.

India is also striving to achieve sustainability goals through decarbonisation and leveraging growing investment and trade opportunities through enhanced technology transformation and improved governance to ensure inclusive and broad-based growth. Amid a

volatile global macro environment, the Indian economy is poised to emerge as one of the global economic powerhouses and become the third-largest economy in the world by 2030.

(Source: IMF Economic Outlook, April 2024; Economic Times)



## Industry Review

### Global Ports Sector Review

The global merchandise trade has grown by 12.4% in value terms in 2022, driven by high commodity prices and inflation. However, in volume terms, Global merchandise trade growth has subdued to 2.7% in 2022, as compared to the growth of 9.4% in 2021. 2023 saw further moderation of the merchandise volume growth, with WTO downgrading its projection from 1.7% to 0.8%. The Global Maritime trade volume, however, contracted marginally by 0.4 per cent in 2022 to 12 billion Metric tons and is expected to grow by 2.4 per cent in 2023. The industry remains resilient, and the volumes are expected to grow continuously but moderately for the medium term (2024–2028), as per UNCTAD review of maritime transport 2023.

However, containerised trade, measured in metric tonnes, declined by 3.7% in 2022. UNCTAD projects it will increase by 1.2% in 2023 and expand by over 3% during the 2024-28 period, although this rate is below the long-term growth of about 7% over the previous three decades.

Starting in early 2022, seaborne trade, in particular dry bulk and tanker shipments, has been impacted by the war in Ukraine. In 2023, Global merchandise trade has contracted in real terms in 2023 by 1%. The impact is more substantial on the global seaborne trade mainly due to the Panama Canal crisis and Red Sea crisis. The ripple effect of these changes is even more substantial. It has pushed up the freight rates of routes that do not cross these hotspots, due to the unsettling impact on global shipping and logistics. Despite such sharp increases, freight rates remain far below the record highs of late 2021 or early 2022. Yet the monthly levels of March 2024 of the Shanghai Containerised Freight Index or the Dry Bulk Index stood above the 85<sup>th</sup> percentile of their distribution (starting from late 2009). Going forward, the situation in the Panama Canal is expected to improve after the rainy season begins in late April–early May.

These changes have led to changes in shipping patterns and increased the distances travelled for commodities, especially oil and grain. Growth in tonne-miles exceeds growth in tonnes in 2022 and 2023. These average distances are further expected to increase in 2024 due to these reasons.

In 2022, oil and gas trade volumes witnessed robust annual growth rates, of 6% and 4.6%, respectively. The increase can be attributed to heightened demand for fuel as the pandemic eased and related restrictions were lifted. As spending on energy-intensive services like transport and travel gradually recovered, a return to normalcy contributed to the surge in oil demand. In contrast, containerised and dry bulk shipments declined in 2022. Weakened containerised trade reflects the slowdown in global economic growth, high inflation and normalising of demand after the unusual surge during the COVID-19 pandemic.

In 2023, oil cargo distances reached long-term highs, driven by disruptions from the war in Ukraine. Crude oil and refined products travelled longer distances, as the Russian Federation sought new export markets for its cargo and Europe looked for alternative energy suppliers.

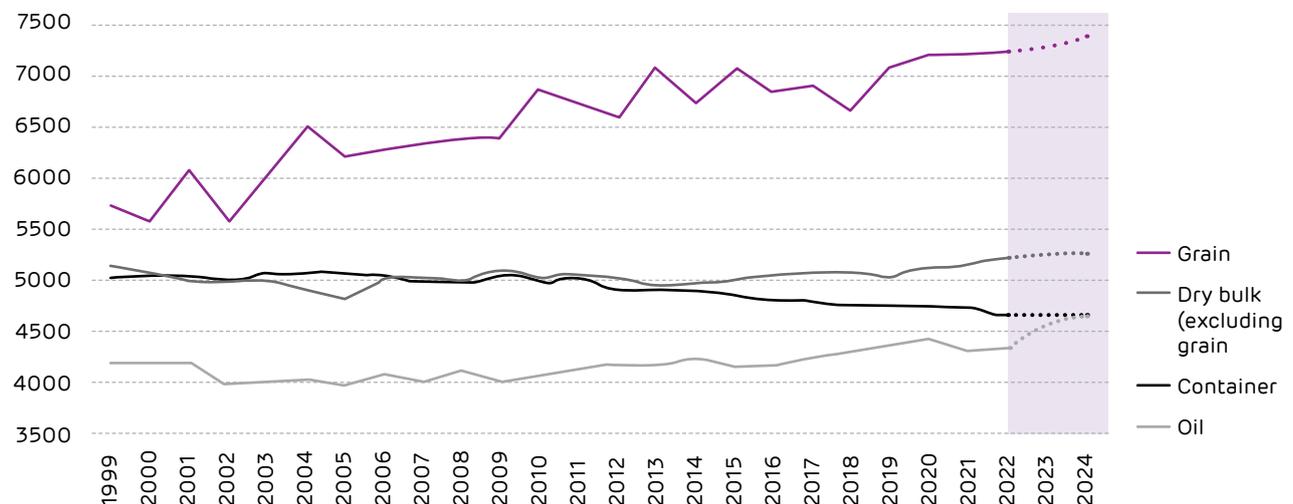
Shipments of grains travelled longer distances in 2023 than any other year on record. Although grain shipments

from Ukraine resumed in 2022 thanks to the Black Sea Initiative, several grain-importing countries had to rely on alternative grain exporters. They are instead buying from the United States of America, or Brazil, which requires longer hauls.

Containerised trade distances have tumbled since 2020 but increased marginally in 2023. Intra-Asian containerised trade, which accounts for the majority of intraregional trade, saw its share increase over the years. As intra-Asian trade is carried over shorter distances, the average distances travelled per tonne of container cargo of global containerised trade are relatively low. The predominance of intra-Asian containerised trade flows reflects global manufacturing patterns with China continuing to serve as the leader in global manufacturing, supported by neighbouring East Asian countries. It also reflects the growing participation of several East Asian countries in regional and global value chains.

Below picture depicts projected lengthening of supply chain distances in global trade

**Figure 3: Average distance travelled, grain, other dry bulk, container and oil cargo, 1999-2024 (Nautical miles)**



Container shipping connectivity remains below pre-COVID-19 levels in small island developing States. As container shipping transitioned from the historical boom of 2021, the freight rates have come down near the pre-pandemic rates. The market normalised and capacity levels shifted with an influx of new container ship capacity in 2023. Capacity is expected to shift further as more container vessels are expected to hit the water in 2024 and 2025. Liner operators are adopting different strategies to tackle overcapacity, including rerouting, blank sailing, reducing speed and idling ships. However, due to red sea disruptions, there is a temporary shortage of supply.

In 2024, IMO will introduce a significant development in port infrastructure with the mandatory implementation of Maritime Electronic Single Windows. This mandate will have far-reaching implications, requiring enhanced interoperability and seamless coordination among port agencies. The Maritime Electronic Single Window aims to establish a robust digital framework to optimise port operations. This calls for strong support and focus from all IMO members, especially developing countries and Least Developed Countries, which lag in implementing similar WTO measures under the Agreement on Trade Facilitation.

(Source: UNCTAD Review of Maritime Transport 2023, WTO global trade update March 2024, Drewry Q4-23 forecast)

### Comprehensive global recovery in maritime transport: 7 priority action

The Review of Maritime Transport 2023 report identifies following 7 priority action areas to address the global logistics logjam and build more resilient and sustainable maritime supply chains.

1. **Enhance Food and Energy Security:**
  - a. **Ensure Reliable Exports:** Facilitate grain and fertiliser exports through initiatives like the Black Sea Initiative and the Russian Federation's trade facilitation memorandum.
  - b. **Invest in Transport Infrastructure:** Support developing countries in building sustainable transport systems for food and energy security.
2. **Revitalise the Ageing Global Fleet:**
  - a. **Promote Ship Investment:** Encourage timely investment in new vessels by minimising regulatory uncertainty for ship owners.
  - b. **Monitor Trends:** Track ship finance and shipbuilding yard capacity for fleet renewal.
  - c. **Enhance Knowledge:** Share information and improve understanding of fleet renewal challenges.
  - d. **Upgrade Skills:** Provide crew training in modern technologies and alternative fuels.
3. **Facilitate Fuel Transition and Equitable Decarbonisation:**
  - a. **Set Clear Targets:** Establish low and zero-carbon fuel goals aligned with the Paris Agreement.
  - b. **Promote Fair Competition:** Reduce cost gaps between alternative and conventional marine fuels.
  - c. **Ensure Equitable Transition:** Consider economic measures while protecting the environment.
4. **Assess Alternative Fuel Readiness and Impacts:**
  - a. Evaluate the availability and safety maturity of alternative fuels and vessel designs.
  - b. Regularly update assessments of how decarbonisation affects vulnerable economies heavily reliant on maritime transport.
5. **Understand Alternative Fuel Costs:**
  - a. Research freight market trends related to shipping's energy transition.
  - b. Monitor alternative fuel prices and implications for freight costs, ensuring transparent and competitive markets.

### 6. Enhance Port Efficiency and Collaboration:

- a. **Digitalisation and Sustainable Infrastructure:** Ports can improve efficiency through digitalisation, sustainable infrastructure, and stakeholder collaboration.
  - b. **Transparency and Decision-Making:** Port performance metrics should guide decision-making and promote transparency. Governments should encourage public-private collaboration to enhance port infrastructure and simplify customs processes.
7. **Promote Electronic Trade Documents:**
    - a. **Faster Transactions and Lower Costs:** Encourage the use of electronic trade documents, including electronic bills of lading, for quicker transactions and reduced delays.
    - b. **Legal Framework:** Establish a suitable legal framework to facilitate the adoption of electronic alternatives to traditional paper documentation.
    - c. **Cyber Risk Management:** Address potential cyber risks associated with increased electronic interactions.
    - d. **UNCITRAL Working Group VI:** Actively participate in developing a legal instrument for negotiable multimodal transport documents, benefiting small traders in developing countries.

### India's EXIM Trade

#### Significant Growth in India's EXIM Sector Signals Accelerated Expansion

Despite persistent global challenges, overall exports (merchandise + services) for FY 2023-24 surpassed previous period's highest record. India attained exports worth USD 776.68 billion in FY 2023-24 as compared to USD 776.40 billion in FY 2022-23. In addition, FY 2023-24 closed with highest monthly merchandise exports of FY 2023-24 in March 2024 at USD 41.68 billion. In FY 2023-24, the growth has mostly come in Electronic Goods, Drugs & Pharmaceuticals, Engineering Goods, Iron Ore, Cotton Yarn/Fabs./Made-ups, Handloom Products etc. and Ceramic Products & Glassware.

Non-petroleum & Non-Gems & Jewellery exports increased by 1.45% from USD 315.64 billion in FY 2022-23 to USD 320.21 billion in FY 2023-24. Electronic goods exports increased by 23.64% from USD 23.55 billion in FY 2022-23 to USD 29.12 billion in FY 2023-24. Drugs and pharmaceuticals exports increased by 9.67% from USD 25.39 billion in FY 2022-23 to USD 27.85 billion in FY 2023-24. Engineering Goods exports increase by 2.13% from USD 107.04 billion in FY 2022-23 to USD 109.32 billion in FY 2023-24. Exports of Agricultural

commodities namely Tobacco (19.46%), Fruits and Vegetables (13.86%), Meat, dairy & poultry products (12.34%), Spices (12.30%), Cereal preparations & miscellaneous processed items (8.96%), Oil seeds (7.43%) and Oil Meals (7.01%) exhibited growth in FY 2023-24.

Overall trade deficit is estimated to significantly improve by 35.77% from USD 121.62 billion in FY 2022-23 to USD 78.12 billion in FY 2023-24; Merchandise trade deficit improved by 9.33% at USD 240.17 billion in FY 2023-24 as compared to USD 264.90 billion in FY 2022-23.

### Unprecedented Growth in Manufacturing Exports

Manufacturing has emerged as an integral pillar in the country's economic growth, owing to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of USD 3.4 trillion along with a population of 1.48 billion people, which will be a big draw for investors.

The manufacturing sector has emerged as a key driver of export growth, fuelled by various factors such as increasing competitiveness, improved production capabilities, and a conducive business environment. This surge in manufacturing exports highlights India's ability to meet global demand for diverse products, ranging from automobiles and machinery to textiles and electronics. The sector's robust growth not only enhances India's export revenue but also strengthens its position as a global manufacturing hub.

### PLI Scheme and Growth Ecosystem

Indian government implemented the production-linked incentive (PLI) scheme in 14 key manufacturing sectors, allocating ₹ 1.97 lakhs crore in November 2020.

The PLI scheme aimed to incentivise manufacturing across 14 sectors by encouraging companies to invest in increasing production. The ultimate goal is to create jobs and enhance India's GDP. The incentive rates follow a tapering format, motivating industries to unlock their potential and become self-sustaining even after the incentive regime ends.

The PLI scheme has shown success in sectors such as electronics, pharmaceuticals, food products, telecom, and drones, attracting significant investments and

creating jobs. S&P Global's CRISIL Market Intelligence & Analytics predicts that the scheme could attract ₹ 2.76 lakhs crore worth of capital expenditure from the private sector over seven years (2020-21 to 2026-27). This infusion is expected to increase India's average industrial capex significantly.

As of November 2023, the PLI scheme has attracted investments of over ₹ 1.03 lakhs crore, resulting in substantial production and sales. It has also facilitated employment opportunities for over 6.78 lakhs individuals. In electronics manufacturing, 97% of mobile phones sold in India are now made domestically, while pharmaceuticals have developed 35 key chemical inputs domestically. Other sectors, such as food products, telecom, and drones, have also seen increased investments and production. The scheme's focus on advanced technologies has enhanced competitiveness, and incentives for green technologies align with sustainability goals. Initiatives for logistical connectivity and inclusive approaches empower industries and artisans.

Overall, the PLI scheme has bolstered domestic production, reduced import dependence, created jobs, and positioned India as a resilient player in global value chains.

### Foreign Trade Policy 2023 Paves the Way for Exponential Export Growth

Foreign Trade Policy 2023 (FTP 2023) was launched on March 31, 2023 in New Delhi by the Union Minister of Commerce and Industry, Shri Piyush Goyal.

The Key Approach to the policy was based on these 4 pillars: (i) Incentive to Remission, (ii) Export promotion through collaboration – Exporters, States, Districts, Indian Missions, (iii) Ease of doing business, reduction in transaction cost and e-initiatives, and (iv) Emerging Areas – E-Commerce Developing Districts as Export Hubs and streamlining SCOMET policy.

It focused on emerging areas like dual use high end technology items under SCOMET, facilitating e-commerce export, collaborating with States and Districts for export promotion. The FTP 2023 encouraged recognition of new towns through "Towns of Export Excellence Scheme" and exporters through "Status Holder Scheme".

### Key Achievement under Foreign Trade Policy 2023:

- The Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry implemented the Advance Authorisation Scheme under the FTP 2023, which allows duty-free import of inputs for export purposes. To make the norms fixation process more efficient, the DGFT has created a user-friendly and searchable database of Ad-hoc

Norms fixed in the previous years. These norms can be used by any exporter without requiring a Norms Committee review.

- An initiative to issue system based automatic 'Status Holder' certificates under FTP 2023 was launched in October 2023. Now the exporter will not be required to apply to the office of DGFT for a Status Certificate and the export recognition will be provided by the IT system based on available Directorate General of Commercial Intelligence and Statistics (DGCIS) merchandise export electronic data and other risk parameters. This perspective is a paradigm shift in doing things as it not only reduces compliance burden and promotes ease of doing business but also recognises the need for and importance of collaboration within the Government. The Status Holder certification program provides credibility to the Indian exporters in the international markets.
- Four new towns have also been designated as Towns of Export Excellence (TEE), which gives special benefits (e.g. access to government funding) and improves brand recognition in the global market. These towns are Faridabad, Mirzapur, Moradabad, and Varanasi.
- **Green Initiatives:** Battery electric vehicles, vertical farming equipment, and green hydrogen eligible for reduced obligation under the Export Promotion Capital Goods (EPCG) scheme.

The policy has also introduced provisions for merchanting trade, which refers to the shipment of certain goods from one foreign country to another foreign country through an Indian intermediary, without the goods touching Indian ports. More specifically, the government has broadened the range of items allowed for merchanting trade.

In addition to the 2024 FTP, other policy changes in recent years have aimed at making it easier to do business. Most notably, several processes have been digitised to reduce paperwork and increase approval speed. Moreover, businesses also are able to apply online for all Directorate General of Foreign Trade (DGFT) schemes, with a centralised DGFT helpdesk service to help business owners address any of their international trade issues.

### India Aims for Trade Expansion: Growing List of FTAs in Focus

India has been actively engaged in discussions and negotiations for free trade agreements (FTAs) with various partners, both on a bilateral and regional level, in recent past. The primary objective of these agreements is to stimulate the growth of export-oriented domestic

manufacturing in India. Recently, the stakes have been raised even higher, as India has set ambitious goals for the next 25 years. India aims to achieve a remarkable milestone of USD 2 trillion in exports of goods and services by the year 2030. Furthermore, India has set its sights on becoming a USD 30 trillion economy by 2047, with a significant 25% share in global exports.

As a result, securing early harvest deals and forging free trade pacts have become crucial priorities for India, despite traditionally adopting a more cautious approach to international trade. India has been actively engaged in Free Trade Agreements (FTAs) with various countries and regions. Till FY 2023-24, India signed several significant FTAs to enhance trade relations and boost exports. Here are some key highlights:

1. **Japan:** India has a Comprehensive Economic Partnership Agreement (CEPA) with Japan. This agreement facilitates trade and economic cooperation between the two nations.
2. **South Korea:** India has a Comprehensive Economic Partnership Agreement (CEPA) with South Korea. This FTA aims to strengthen bilateral trade ties and promote investment.
3. **ASEAN Region:** India has signed FTAs with countries in the ASEAN region, including the India-ASEAN FTA, India-Singapore CECA, and India-Malaysia CECA. These agreements promote economic integration and facilitate smoother trade flows.
4. **South Asian Association for Regional Cooperation (SAARC):** India has FTAs with SAARC member countries, such as the SAFTA Agreement, India-Sri Lanka FTA, and the India-Nepal Treaty of Trade. These agreements aim to enhance regional economic cooperation.
5. **Mauritius:** India has a Comprehensive Economic Cooperation and Partnership Agreement (CECPA) with Mauritius. Although it's too early to quantify the benefits, this agreement was implemented in April 2021.
6. **United Arab Emirates (UAE):** India has a Comprehensive Economic Partnership Agreement (CEPA) with the UAE. Similar to the Mauritius agreement, it's too early to calculate the quantifiable benefits as it was implemented in May 2022.
7. **Australia:** India and Australia have signed the India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA), although it has not yet been implemented as of now.

Additionally, India has signed 6 Preferential Trade Agreements (PTAs), including the Asia Pacific Trade Agreement (APTA). All of India's RTAs (Regional Trade Agreements), as listed above, have exit clauses.

Furthermore, India is strategically shifting its FTA approach from East to West, targeting major world economies for FTAs in 2024-25. Negotiations are underway with countries like the UK, USA, EU, Switzerland, Norway, and Russia.

In summary, India's FTAs play a crucial role in fostering economic cooperation, expanding markets, and promoting investment opportunities globally.

### Indian ports sector review

Cargo traffic at India's 12 major ports during FY 2023-24 showed a growth of 4.38% to 817.98 MMT from 783.62 MMT cargo throughput in FY 2022-23. EXIM cargo handled at Major Ports increased by 5.12% from 600.03 MMT during FY 2022-23 to 630.76.9 MMT in FY 2023-24. The Coastal Cargo handled at Major port also increased by 1.97% from 183.59 MMT during FY 2022-23 to 187.21 MMT handled during FY 2023-24.

Cargo traffic at Non-Major Ports during FY 2022-23 increased by 8.5% to 649.9 MMT from 599.1 MMT handled in FY 2021-22. EXIM cargo traffic handled at Non-Major Ports in FY 2022-23 increased by 4.3% to 530.9 MMT from 509.1 MMT during FY 2021-22.

The coastal cargo traffic handled at Non-Major Ports during FY 2022-23 increased by 32.1% to 119.0 MMT from 90.1 MMT handled during FY 2021-22.

### Key ports performance

Mormugao Port recorded highest growth of 16.44% in traffic handled at Major Ports during FY 2023-24 and was followed by New Mangalore (10.36%), Visakhapatnam (9.95%), VOC (8.83%), Paradip (7.4%), Mumbai (5.74%), Chennai (5.39%), Kamarajar (4.07%), Kochi (3.01%), JNPA (2.31%), SMP Kolkata (1.82%). The only Major Ports that recorded negative growth in traffic was Deendayal Port (4.17%) in FY 2023-24.

For Non-Major Ports amongst the State Maritime/State Directorate, Gujarat Maritime Board led with 449.25 MMT [share of 62.31%] followed by Andhra Pradesh Maritime Board (16.29%), Maharashtra Maritime Board (10.36%), Directorate of Ports Odisha (7.52%), Directorate of Ports, Puducherry (1.71%) and Tamil Nadu Maritime Board (1.40%) among others in FY 2023-24.

In coastal cargo, Gujarat Maritime Board again led with 47.67 MMT [share of 34.81%] followed by Maharashtra Maritime Board (33.6%), Andhra Pradesh Maritime Board (25.96%), Directorate of Ports, Odisha (3.77%), A&N Islands (1.41%), Tamil Nadu Maritime Board (0.23%), and Others.

(Source: Transport Research Wing of Ministry of Ports, Shipping and Waterways)

### Trends in All India Cargo Handling (FY23-FY24)

The commodity-wise trendline among Major Ports, Non-Major Ports and consolidated cargo handled is as indicated below:

Commodity	Major Ports		Non-Major Ports		All India Ports	
	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24
POL Crude	161.1	169.2	91.4	89.8	252.5	259.1
POL Products	57.4	61.6	72.4	73.8	129.8	135.5
LPG or LNG	15.8	16.4	19.8	23.4	35.6	39.8
Edible Oil	11.9	11.4	3.6	3.7	15.5	15.1
Iron Ore Pellets/Fine	46.5	59.8	53.0	76.2	99.5	135.9
Thermal and Other Coal	148.8	154.8	140.2	168.2	289.0	323.0
Coking Coal	38.7	36.6	39.3	39.2	78.1	75.8
Fertilisers and FRM	22.9	23.2	16.0	15.2	38.9	38.4
Food Grains	7.3	2.2	6.0	3.6	13.3	5.9
Iron and Steel	9.4	11.4	4.7	4.8	14.1	16.2
Project Cargo	0.9	0.8	0.3	0.2	1.2	1.1
Container (Tonnes)	170.2	181.5	115.8	135.9	286.0	317.4
Container (mTEUs*)	11.4	12.3	8.7	9.7	20.1	22.0
Others	92.6	88.8	86.1	87.1	178.7	175.9
<b>Total</b>	<b>783.6</b>	<b>818.0</b>	<b>648.5</b>	<b>721.0</b>	<b>1432.2</b>	<b>1539.0</b>

Over a consolidated market share analysis at All India level, the cargo handling has grown by 7% on a year-on-year basis to 1,539 million MT of handling. The year-on-year growth for major ports has been 4% at 818 million MT while the growth for non-major ports has been at 11%.

The commodity which has depicted the maximum growth on a year to year basis is Iron Ore Pellets and Fines which has grown at 37%, followed by Iron and steel (15%), LPG/LNG (12%) and thermal and other coal (12%), Containers (9%) and others.

### Recent developments of importance for the Indian ports sector

- World Bank Logistics Index Report 2023: The report was released in April 2023 and reported that India has reached 22<sup>nd</sup> rank in International Shipment category as against 44<sup>th</sup> rank in 2014. It was also reported that the average Container Dwell Time in India has reached a level of 3 days only as compared to 4 days for countries like UAE and South Africa, 7 days for USA and 10 days for Germany. In addition, Indian Ports "Turn Around Time" has reached 0.9 days which is better than USA (1.5 days), Australia (1.7 days), Singapore (1.0 days) etc. This goes a long way in demonstrating the positive steps taken by the Government of India for advancing the development in the domestic ports and logistics sector in the country.
- The Amrit Kaal Vision 2047, formulated by the Ministry of Ports, Shipping & Waterways, builds on the Maritime India Vision 2030 and aims to develop world-class ports and promote inland water transport, coastal shipping, and a sustainable maritime sector. It encompasses aspirations in Logistics, Infrastructure, and Shipping, supporting India's 'Blue Economy'. The vision, shaped through over 150 consultations with various stakeholders and the analysis of 50 international benchmarks, outlines more than 300 actionable initiatives for enhancing ports, shipping, and waterways by 2047.
- The extension of the manufacturing hub associated with global supply chains could enhance demand for the ports sector industry for cargo commodities like iron ore and fertilisers. Iron ore and finished fertilisers shipments have seen a growing trend, ensuring that major ports tide over decreasing volumes in coal and miscellaneous cargo.
- The Union Government permitted Foreign Direct Investment (FDI) of up to 100% under the automatic route for port and harbour construction and maintenance projects.

- To meet the larger vision of achieving Zero Carbon Emission Goal, launched 'Harit Sagar' the Green Port Guidelines on May 10, 2023. Several APSEZ ports are harnessing the renewable power sources to power the operations within the port.
- Better rural connectivity, port advancements, moderation of logistics costs and lower turnaround time are anticipated to enhance revenues.
- The National Logistics Portal (Marine) was inaugurated on January 27, 2023, by the Honourable Minister for Ports, Shipping, and Waterways. The NLP is a one-stop platform connecting all stakeholders in the logistics community through IT, aimed at improving efficiency and transparency while reducing costs and time delays. The NLP covers all modes of transport, including waterways, roadways, and airways, and provides a seamless end-to-end logistics service coverage.
- Sharp rise in coastal movement owing to power demand from shore-based power plants leveraging the RSR (Rail – Sea – Rail) mechanism and movement of domestic coal from Paradip apart from rise in coastal POL movements.
- Operation and maintenance services such as pilotage, dredging, harbouring and provision of marine assessments such as barges and dredgers are anticipated to grow. Growing investment and cargo traffic marks a healthy prospect for port support services.
- On March 23, 2023, the Union Minister for Ports, Shipping and Waterways launched 'Sagar Manthan', a digital platform containing comprehensive data related to the Ministry and all its organisations. The Real-time Performance Monitoring Dashboard facilitates the monitoring of projects, KPIs, Maritime India Vision 2030, and financial and operational parameters.
- Mormugao Port launched "Harit Shrey" scheme offering incentives to ships with good ESI score. The aim is to promote green initiatives and improve sustainability of port operations. M.V August Oldendorff was the first ship to receive the green incentive.

### Indian logistics industry review

Transport and Logistics sector form the backbone of India's fast-paced growth. Rapid infrastructure development, government initiatives to boost exports like "Make in India", digital initiatives like "ULIP" has given this sector its much-needed growth spurt.

The logistics industry is expected to grow at a CAGR of ~8-10% in the coming years with the top gainers being exports because of emergence of India as a Manufacturing hub.

The key opportunity & focus areas for Indian Logistics Sector are as below:

- **Digitalisation:** Through government intervention & digital solutions, digitisation has started in various departments. They still fail to provide an end-to-end visibility of logistics processes leading to inefficient route selection, planning mismatch, manual processes & uninformed decision-making thus increasing the total logistics cost.
- **Policy:** The need for time-bound approval system, clearances and land-acquisition process will largely aid new developments in this sector
- **Sustainability:** Sustainability in supply chain is no longer an option but a need today. Logistics is the first action area of large companies when it comes to reducing carbon footprint. Cost reduction, compliance & push from other stakeholders are the key drivers in improving supply chain sustainability.
- **Advanced Technology & Newer Business Models:** Decrease in entry barrier, adoption to latest technologies has paved way to disruptions by start-ups. Digital Freight forwarding platforms, on demand services etc., has increased the transparency, tech adoption & speed of cargo.

### Government Initiatives

Government of India continues the efforts to develop logistics sector through various initiatives. In the **Interim Budget FY 2024-25**, the allocation for infrastructure has been increased to ₹ 11.11 lakhs crore.

The government also announced three major rail corridor programmes:

- Energy, mineral & cement corridors
- Port connectivity corridors
- High-traffic density corridors

### National Logistics Policy – Progress so far

- It has been more than a year since the National Logistics Policy was launched on September 17, 2022. The vision of NLP is to drive economic growth and business competitiveness of the country through an integrated, seamless, efficient, reliable, green, sustainable and cost-effective logistics network by leveraging best-in-class technology, processes and skilled manpower.

- Since then, significant progress has been made in various aspects of implementation of policy. Multiple workshops, interactions & meetings were held with the ministries, officials from state / UT, representatives from various industries to drive the implementation of NLP
- **CLAP** – a part of NLP, saw a registration of 600+ industry players on the ULIP platform.
- **CPCP** – Comprehensive Port Connectivity Plan, identified 100+ road and rail infrastructure gaps and sanctioned 107 projects to address the same.
- Using the data from **Logistics Data Bank (LDB)**, analysis regarding turnaround times between port & CFS/ICD is being done to improve performance.

### Coal Logistics Plan and Policy

- The Ministry of Coal launched Coal Logistics Plan and Policy (CLPP) to address the need for efficient logistics to meet the increasing demand for coal.
- **Target:**
  - 14% reduction on rail logistics cost
  - ₹ 21,000 crore annual cost savings
  - 10% reduction on average turnaround time of bulk wagons
  - Reduced pollution & traffic congestion
- **Action plan:**
  - Increased capacity through new rail lines & freight corridor
  - First-mile connectivity projects
  - Increased emphasis on rail-sea-rail routes for coal transport
  - Data-driven decision support system through smart analytics dashboards.
- **Impact:**
  - Reduction in TAT & congestion will lead to increased loadings thus benefiting rakes operating under GPWIS

### Logistics Ease Across Different States 2023 (LEADS 2023)

LEADS is a unique initiative of the Government of India to assess the logistics ecosystem across States and Union Territories. The fifth edition of LEADS-2023 follows the framework of LEADS-2022 with more enhancements to accurately capture specific improvements in First mile/Last-mile connectivity, packaging facility, & skilled manpower availability.

As per the earlier adopted framework, States & UTs were placed into four groups namely,

- Coastal
- Landlocked
- North-East
- Union Territories

Based on their performances, they were classified into three levels: Achievers (states and UTs achieving 90% or more), Fast Movers (states and UTs scoring between 80 and 90%), and Aspirers (states and UTs with percentage scoring below 80%).

Performance Levels Categories	Achievers	Fast Movers	Aspirers
Coastal States	Andhra Pradesh, Gujarat, Karnataka, Tamil Nadu	Kerala, Maharashtra	Goa, Odisha, West Bengal
Landlocked States	Haryana, Punjab, Telangana, Uttar Pradesh	Madhya Pradesh, Rajasthan, Uttarakhand	Bihar, Chhattisgarh, Himachal Pradesh, Jharkhand
North-Eastern Region	Assam, Sikkim, Tripura	Arunachal Pradesh, Nagaland	Manipur, Meghalaya, Mizoram
UTs	Chandigarh, Delhi	Andaman & Nicobar, Lakshadweep, Puducherry	Daman & Diu/Dadra & Nagar Haveli, Jammu & Kashmir, Ladakh

### Sagarmala Pariyojana

Sagarmala was rolled out in April 2016 to reduce the logistics cost for domestic as well as EXIM cargo with optimised infrastructure investment. The port-led development focuses on logistic-intensive industries, which would be supported by efficient and modern port infrastructure and seamless multi-modal connectivity. The primary objective of Sagarmala is to promote port-led direct and indirect development, and ensure quick, efficient, and cost-effective evacuation of cargo. At an overall level, as of March 2023, 221 projects worth ₹ 1.12 lakhs crore have been completed out of 802 identified projects worth ₹ 5.4 lakhs crore under the scheme; 581 projects worth ₹ 4.27 lakhs crore are under implementation and various stages of development.

Over the next stage of Sagarmala, Central government is targeting to build 14 new ports worth ₹ 1.25 trillion.

**Digitisation of ports:** Significant efforts have been made to digitise major EXIM processes at key ports. The government has introduced digitisation for processes such as Electronic Invoice (e-Invoice), Electronic Payment (e-Payment), and Electronic Delivery Order (e-DO) for the physical release of cargo by custodians. The generation of electronic Bill of Lading (e-BL) has also been implemented, along with the digitisation of the Letter of Credit (LC) process. The government is working towards achieving complete integration between PCS 1x, a cloud-based new generation technology, and Indian Customs EDI Gateway (ICEGATE) for seamless data exchange. Additionally,

RFID solutions have been implemented at all key ports to facilitate uninterrupted movement of traffic across port gates and reduce the need for extensive documentation checks. The Ministry of Ports, Shipping and Waterways has set up an Enterprise Business System (EBS) at five major ports in India (Mumbai, Chennai, Deendayal, Paradip, and Kolkata, including Haldia Port). The EBS aims to provide a digital port ecosystem that adopts leading international practices while remaining aligned with local needs. As part of the EBS implementation, a total of 2,474 processes were standardised, resulting in a final count of 162 redesigned processes.



### Performance Overview

During the year under review, APSEZ performance was good & promising with cargo volumes witnessing a robust 24% YoY growth. The Company dominated on all fronts; Mundra Port retained its top position as the largest port in India, handling 179.58 MMT of cargo in FY 2023-24. The total cargo handled across all Adani ports was 419.95 MMT, including 11.51 MMT cargo handled at Haifa Port, Israel. In India, APSEZ ports have handled 408.44 MMT cargo, through our 12 operating ports/ Terminals. APSEZ India ports portfolio has witnessed around 21% YoY volumes growth. Dry cargo volume crossed 219 MMT, registering 27% YoY growth. Key growth commodities in dry cargo were Coal, Iron ore, and other certain minerals. Coastal coal has witnessed massive 80% YoY growth (33.09 MMT in FY 2023-24 against 18.43 MMT

in FY 2022-23). In India, APSEZ ports container volume reached 9.7 MTEUs volume against 8.6 MTEUs in FY 2022-23, registering 13% YoY growth. APSEZ Mundra Port has maintained its top position in container volume handling, Mundra has handled 7.42 MTEUs in FY 2023-24 against 6.64 MTEUs in FY 2022-23, registering 12% YoY volume growth. Out of APSEZ's 12 operating ports, 11 ports have witnessed YoY volume growth. Mundra Port has witnessed around 16% YOY volume growth, handled 179.58 MMT; Tuna Port has handled 9.73 MMT, with 19% YoY growth; , Hazira Port has handled 26.40 MMT cargo, with 4% YoY growth; Digbi has handled 0.55 MMT cargo; Goa terminal has handled 4.59 MMT cargo registering 3% YoY growth; Karaikal Port handled 12.28 MMT cargo, Ennore container terminal has handled 12.95 MMT cargo, with 57% YoY volume growth; Kattupalli Port has witnessed 4% YoY growth, handled 11.93 MMT cargo, Krishnapatnam Port has handled 59.21 MMT cargo, with 23% YoY growth, Gangavaram Port has handled 37.24 MMT cargo, registering 15% YoY growth; and Dhamra Port has handled 42.81 MMT cargo, with a 37% YoY growth.

## Operational Highlights

### Ports Business

- In FY 2023-24, APSEZ handled ~27% of the country's total cargo and ~44% of container cargo
- Overall, cargo volumes recorded a healthy 24% YoY growth to 420 MMT
- Dry cargo volumes growing by 29%, container cargo by 20% and liquid & gas (incl. crude) by 15%
- 10 domestic ports in APSEZ portfolio recorded their highest ever cargo volumes
- APSEZ domestic cargo volumes grew by 21% YoY vs 7.5% growth in India's cargo volumes in FY 2023-24
- APSEZ achieved a key milestone of crossing 400 MMT of domestic cargo volumes in 360 days
- The flagship port, Mundra Port crossed the 7.4 million TEUs mark, which is 15% higher than its closest competitor
- Mundra Port recorded another milestone of handling highest ever monthly cargo by any port in India by handling 17 MMT of cargo in March 2024
- APSEZ acquired Karaikal Port and signed definitive agreement to acquire 95% stake in Gopalpur Port in FY24, thereby boosting its hinterland access in the southern and eastern part of the country.
- APSEZ Established a joint venture (JV) with MSC for Ennore Container Terminal by divesting 49% stake for an equity consideration of ₹ 247 crore
- The Dhamra LNG Terminal (a JV of APSEZ and TOTAL Energies) commenced commercial operations
- The Hazira Port completed extension of CB3 berth
- The Vizhinjam Port berthed four project vessels in FY 2023-24 and the port is targeting commissioning in Q1 FY 2024-25
- The Colombo terminal received financing commitment of USD 553 million from DFC and is targeting commissioning before end of FY 2024-25
- APSEZ affected the following asset enhancements resulting cargo volume capacity and debottlenecking:
  - Dhamra Port commissioned a 9.7 km railway line for doubling the rail capacity
  - Gangavaram Port inducted 2 new locomotives while Krishnapatnam Port inducted 1 new locomotive
  - Dahej Port completed overhead electrical line extension, enabling movement of electric locomotives
  - Kattupalli Port added three new e-RTGs and four 5,000 KL tanks
  - Mundra Port added 2 cranes for handling larger count of rakes daily

### Logistics Business

- Rail volume grew 19% YoY to 0.6 million TEUs
- Terminal volume saw a growth of 5% YoY to 0.38 million TEUs
- Registered a growth of 40% YoY to 20.1 MMT in the Bulk (GPWIS) business
- Increased the warehousing space to ~2.4 million sq. ft. from ~1.6 million sq. ft.

## Financial Highlights

### Revenue

- Consolidated revenue grew by 28% to ₹ 26,711 crore supported by 30% jump in ports business revenue and 19% in logistics business
- Cargo volume growth, and addition of Karaikal Port enabled domestic port revenue increase of 21% to ₹ 20,972 crore
- Revenue from the logistics business stood at ₹ 2,079 crore, a growth of 19% on account of induction of new rakes in GPWIS, and container segment, addition of 3 new MMLPs, 2 new agri silos and warehouses at 2 new locations

### EBITDA

- Consolidated EBITDA (excl. forex) grew by 24% to ₹ 15,864 crore with ₹ 15,246 crore contributed by ports business and ₹ 540 crore by logistics business
- Domestic port EBITDA grew 24% to ₹ 14,907 crore with better sweating of assets (capacity utilisation of 67% in FY 2023-24 vs 56% in FY 2022-23)
- Logistics business EBITDA grew by 11% to ₹ 540 crore on account of new asset additions across sub-verticals

### Balance Sheet and cash flow

- Net debt to EBITDA improves to 2.3x from 3.1x in FY 2022-23, despite a capex of ₹ 7,416 crore
- Free cash flow from operations after adjusting working capital changes, capex and net interest cost was ₹ 5,791 crore compared to ₹ 1,366 crore in FY 2022-23. Increase in free cash flow was primarily on account of increase in cashflow from operating activities
- The Board recommended a dividend of ₹ 6 per share, a payout of around ₹ 1,300 crore, and 16% of the reported PAT

### Key financial ratios and return on net worth

The key financial ratios compared to the last financial year are as under:

Particulars	Current FY ended March 31, 2024	Previous FY ended March 31, 2023	Changes between current FY and previous FY
Debtors' Turnover	7.71	7.63	1%
Interest Service Coverage Ratio	5.47	5.20	5%
Current Ratio	1.05	1.42	(26%)
Debt Equity Ratio	0.87	1.09	(20%)
Operating Profit Margin (%)	59%	62%	(2%)
Net Profit Margin (%)	30%	26%	4%
Return on Avg Net-Worth (%)	16%	14%	2%

#### Notes:

- The above ratios were based on Consolidated Financial Statements of the Company.
- Definitions of ratios:
  - Debtors' turnover: The revenue from operations divided by the average accounts receivable.
  - Interest coverage ratio: earnings available for debt service (PAT + Interest cost+ Foreign Exchange Loss or (Gain) (net)+Depreciation) to interest cost.

- Current ratio: Current assets by current liabilities. The decrease in the Current Ratio is mainly due to the current maturities of ₹ 7,687.99 crore (previous year ₹ 2,023.80 crore) in FY 24, out of total Long-Term Debt.
- Debt-equity ratio: Total debt by shareholders equity.
- Operating profit margin: EBITDA (Excluding Foreign Exchange Loss or (Gain) (net) and exceptional item) by Revenue from Operations.
- Net profit margin: Profit after tax by Revenue from Operations.
- Return on average net worth: Profit for the year by average net worth for the year.

### ESG Highlights

APSEZ is committed to advancing sustainable development within its operations. The company has integrated the principles of resource efficiency, circular economy, reducing ecological impact, ensuring zero harm to workforce, health and safety, and fostering community welfare into its operational philosophy. APSEZ is striving for carbon neutrality by 2025 as a short-term objective and has established robust governance frameworks to consistently pursue the established goals. The company has also set comparable objectives for reducing water consumption, waste disposal, biodiversity loss, and ensuring that all significant supply chain partners undergo ESG risk assessment. Additionally, the United Nations Sustainable Development Goals (UN SDGs) are a fundamental component of APSEZ's long-term strategy. The company has conducted an internal evaluation to prioritise these goals and has commenced tracking progress towards meeting the targets associated with each relevant SDG.

APSEZ supports and complies with the domestic and international standards and regulations/laws including those related to labour and human rights, such as the Universal Declaration of Human Rights, the UN Principles on Business and Human Rights, and the International Labour Organization Convention.

- APSEZ shares the Adani Group's ambition of planting 100 million trees by 2030.
- APSEZ's emission and water intensity reductions are in line with the targets for the year.
- Progress on energy efficiency and fuel switch: At Dhamra Port, the transition from HPSV lamps to LEDs has been completed and electric vehicles have been introduced for employee transportation within operational areas across ports; at Kattupalli, diesel

forklifts have been replaced with battery-operated ones, and at Mundra, the rail line has been electrified. These initiatives reflect APSEZ's commitment to sustainable practices.

- Biodiversity: APSEZ has raised its mangrove plantation target to 5,000 hectares by FY 2024-25 and successfully completed plantation in 4,240 hectares by the end of FY 2023-24. The restoration project in the Lakhpat region, launched on World Environment Day in 2021, aligns with the UN Decade on Ecosystem Restoration (2021-2030). This project is committed to preserving the Lakhpat area's natural habitat, particularly for key species such as the chinkara, rehabilitating grasslands for their survival, and indirectly reducing stress on mainland mangroves through landscape conservation.
- Progress on renewable energy sourcing: In FY 2023-24, the Company used about 63.4GWh of renewable electricity sourced from captive and PPA-based solar and wind power plants. An additional captive renewable capacity of around 1,000 MW is being installed for future use.
- ESG Investments: In FY 2023-24, the Company invested ₹1,493 crore on projects related to electrification of equipment, rail infra, energy efficiency, emission reduction, environment protection, water management, waste treatment and adaptation to climate change. This investment includes ₹ 907 crore spent on purchase of electric equipment at the greenfield and expansion projects.

## Human Resources Development

APSEZ considers its people and culture as a competitive advantage, offering a superior proposition to customers and career opportunities to its employees. The company aims to enhance its businesses and expand into new areas while providing a conducive work environment where, a continuous & repeatable cycle of 'learn – contribute – grow' remain the core of employee value proposition. Alignment and enablement of entire organisation – across locations, functions and tiers through appropriate systems, processes, policies, and programmes to achieve this aspiring growth target has been key focus area for People Management function.

APSEZ has been named the Best Place to Work in the Nation Builder category for three consecutive years. The organisation provides excellent career opportunities and offers various interventions for talent and capability building. Professional growth is encouraged through empowerment and decision-making opportunities, resulting in improved business responsiveness.

APSEZ focused on building capacity at three levels: the organisation, teams, and individuals. It continually improved related systems, processes, and people management practices to enhance employee capabilities. The Company's average employee age was 41, marked by youth, energy and dynamism. 88% of workforce were engineers or specialised/professional degree holders. The organisation underscores the criticality of capacity management for expansion, highlighting strategic workforce planning, budgeting, and a robust employer value proposition. An asset-based manpower budgeting model underpins this approach. It champions diversity and inclusion, pursuing talent from diverse backgrounds to ensure cultural alignment. Hiring managers are trained for effective candidate evaluation, and an executive pool is curated yearly for structured interviews. Various sourcing channels are leveraged for talent acquisition. Psychometric assessments aligned with the Adani Behavioural Competency Framework (ABCF) evaluate candidates' personalities and potential. Leadership roles are subject to comprehensive due diligence.

The Adani Behavioral Competency Framework (ABCF) shapes a capability model that aligns with business objectives, emphasising internal talent development to future-proof the organisation against the complexities of business growth. It encourages nurturing internal talent and acquiring external expertise. Business leaders aim to foster talent with a global perspective, integrating sustainability, governance, digitisation, globalisation, and inclusivity. The model presents a clear career progression path, ensuring visible growth opportunities for employees.

The company invests in talent assimilation, offering an extensive induction program that connects new hires with senior leaders to cultivate internal networks and cultural acumen. A 'Sahyogia buddy' aids newcomers during the initial period, complemented by regular feedback sessions for seamless integration. Our recruitment process has evolved with advanced technologies to match the digital shift in business and operations. We also focus on nurturing young leaders through GETs, MTs, PGETs, and AALPs, ensuring a defined career trajectory, diverse functional and geographical experiences, and meticulous progress tracking.

The Company motivated employees through continuous re-learning; improved performance was rewarded. It recognises its workforce as its most valuable asset and is committed to fostering an environment that nurtures growth and development. This commitment is evident in various initiatives like Sammilan, ICEBERG, Takshashila, Northstar, Young Managers Program, and

FULCRUM, which leverage People Analytics for strategic decision-making in areas such as Talent Management, Learning & Development, and Leadership Development.

At APSEZ, HR digitisation is a strategic initiative to embrace SMAC technologies, enhancing efficiency and maintaining a human touch. Initiatives like e-portals have streamlined operations, marking progress towards a digital HR revolution. The Recruitment Cloud will elevate recruitment by improving quality, speed, and cost-effectiveness. AI tools will further refine talent acquisition, ensuring high-quality hires in greater volumes. This automated system collects valuable data for AI/ML analysis, fostering a self-improving HR ecosystem. The goal is an integrated HR value chain that enhances employee experiences and drives organisational success through continual agile improvements. Digitisation transcends system upgrades; it's about evolving mindsets for swift adoption of top digitisation practices.

People analytics at APSEZ integrates various data sources to boost workforce efficiency and strategic decisions. It focuses on employee performance, workforce planning, skill gaps, recruitment, and attrition. Objective appraisals and talent forecasting are achieved through data-driven methods. Enhanced HR recruitment and hiring are benefits of analytics. ORC provides immediate access to essential hiring metrics, aiding the TA team in fulfilling talent requirements swiftly. It also improves sourcing, cost, and time efficiency in HR processes, ensuring a cost-effective and engaging candidate experience. Additionally, people analytics is crucial for attrition analysis, allowing APSEZ's HR to develop proactive retention strategies by examining demographic, performance, satisfaction, compensation, and engagement data to reduce turnover and elevate employee performance.

APSEZ prioritises the wellbeing of our workforce, investing in systems like the Employee Engagement Score and Health & Wellness Index to monitor and enhance employee productivity and satisfaction. Our Emotional Wellness Program, part of Adani Cares, offers 24/7 confidential counselling on various personal and professional issues, ensuring support for our employees and their families. Emphasis is holistic employee wellness, integrating Physical, Emotional, Spiritual, Safety, Diversity & Inclusivity, and Self-sustenance into its business ethos. Leadership is empowered to promote and advocate for a comprehensive well-being culture, supported by resources and partnerships like The Art of Living Corporate Programs like APEX program.

APSEZ has established a robust support system for employee welfare, encompassing health, work-life balance, and financial aid. Health initiatives feature a health center, medical screenings, insurance policies, and parental illness support. Work flexibility is enhanced with adaptable hours and remote work options. Educational and financial benefits are provided through scholarships and loan subsidies. Retirement plans, loan facilities, and a benevolent fund for bereavement aid underscore APSEZ's commitment to its employees' well-being.

APSEZ has initiated an 'Employee Connect Program' to boost workplace belonging and engagement, fostering stronger emotional and social connections, aligning individual and company goals, and creating a cohesive work environment. To enhance workplace engagement and belongingness, the 'Chairman's Survey: Your Voice Matters' invited employee feedback to influence company policies, aligning with organisational goals. Participation is key for collective success. 'Saksham', APSEZ's self-reliance initiative, empowers Adanians to steer their careers through new mindsets, scalable systems, and autonomous processes. It includes, Transparent career paths for self-reliant employees, People Managers empowered to match team skills with business needs, Business Leaders using unified data for informed decisions.

'Madhyam' is an innovative Group-level online reward scheme that empowers employees to share ideas directly with the Chairman, impacting strategy and operations. These ideas are evaluated and sorted by their impact, with successful ones earning monetary rewards. The 'Long Service Award' honours employees for their long-term commitment, acknowledging their role in APSEZ's success. The 'Employee Spot Recognition Scheme' celebrates outstanding efforts in energy conservation, waste management, and sustainable commuting, promoting a culture of recognition and encouraging environmental responsibility. Lastly, the 'Technical Projects' drive motivates technical staff to improve plant performance and integrate advanced technology for better business adaptability and plant dependability since 2018.



## Strategy

- ESG Leadership:** The company is committed to environmental conservation and societal safety through its Environmental, Social, and Governance (ESG) initiatives.

2. **National Footprint Expansion:** The company aims to broaden its service offerings, including logistics solutions, rail services, warehousing, grain silos, transportation, and last-mile delivery, to customers across the nation.
3. **Global Presence Enhancement:** The company plans to expand globally, both organically and through strategic acquisitions, across South Asia, Southeast Asia, the Middle East, Europe, and Africa.
4. **Business Mix Diversification:** Shifting from a Mundra-centric port business, the company aims to become a global logistics services provider. It seeks east-west parity in India and focuses on high-growth non-port ventures, investing in businesses with attractive Return on Capital Employed (ROCE).
5. **Operational Excellence:** The Company is focused on sweating its assets, increasing efficiency, anchoring world-class facilities, skills, technology, and a digitised logistics value chain that leverages visibility, analytics, and automation.
6. **Customer-Centric Approach:** The company strives to be a customer-centric transport utility, offering integrated solutions across India to enhance the customer experience.
7. **Strategic Partnerships and Acquisitions:** Building on past inorganic growth, the company will continue to forge strategic partnerships within and beyond India for sustained expansion.



## Risks and Concerns

APSEZ's Enterprise Risk Management (ERM) framework involves identifying risks, examining consequences, introducing mitigation strategies, and implementing corrective actions. The scope of the ERM framework at APSEZ is as follows:

**Strategic and economic risk:** The Company faces various challenges, including economic uncertainty, a potential slowdown, trade policy changes, excessive concentration of business with a few shipping lines or customers, and the need for geographical expansion.

**Operational risk:** The Company faces various operational risks, such as penalties, theft of shipments, changes in cargo dimensions, damage to assets, and other potential hazards.

**Growth risk:** The Company faces intense global and domestic competition, which can lead to inconsistent pricing and commercial terms, conflicts with allied

infrastructure, challenges in project implementation, and integration.

**Reputational risk:** The Company may face a cynical perspective from stakeholders, particularly in the event of any unforeseen event, accident, or hazard. The Company faces cost, and challenges associated with capital-intensive and lengthy incubation period projects.

**ESG risk:** The Company faces risks arising from increasing sea levels, natural calamities, fatalities, and noncompliance with various countries' standards of governance,

**Technology risk:** The Company faces risks related to data recovery, system interruptions, cyber security intelligence and robotic process automation.

**People risk:** The Company faces risks related to workforce management, including the retention of existing talented employees, attracting new talent, labour strikes, and excessive dependence on contractual workforce.

**Political risk:** The Company faces the risk of delays in project execution due to review of existing policies and approvals.

**Projects completion-related risks:** The company faces risks related to regional crisis, pandemic, material and manpower availability.

In FY 2023-24, APSEZ's Audit Committee regularly reviewed the risk management reports and suggested corrective actions. Health & Safety risk evaluation was done as per OHSAS 18001 standards and reviewed periodically.

APSEZ manages risks through cargo diversification, strategic capacities, long-term contracts, operational efficiency, cost optimisation and integrated logistics services.



## Internal control systems and their adequacy

The Company has put in place strong internal control systems and best-in-class processes commensurate with its size and scale of operations.

There is a well-established multidisciplinary Management Audit & Assurance Services (MA&AS) that consists of professionally qualified accountants, certified internal auditors, engineers, MBAs and SAP experienced executives who carry out audits through the year across all functional areas and submit reports to Management and Audit Committee about the compliance with internal control, efficiency and effectiveness of operations and key processes risks.

Some key features of the Company's internal controls system comprised:

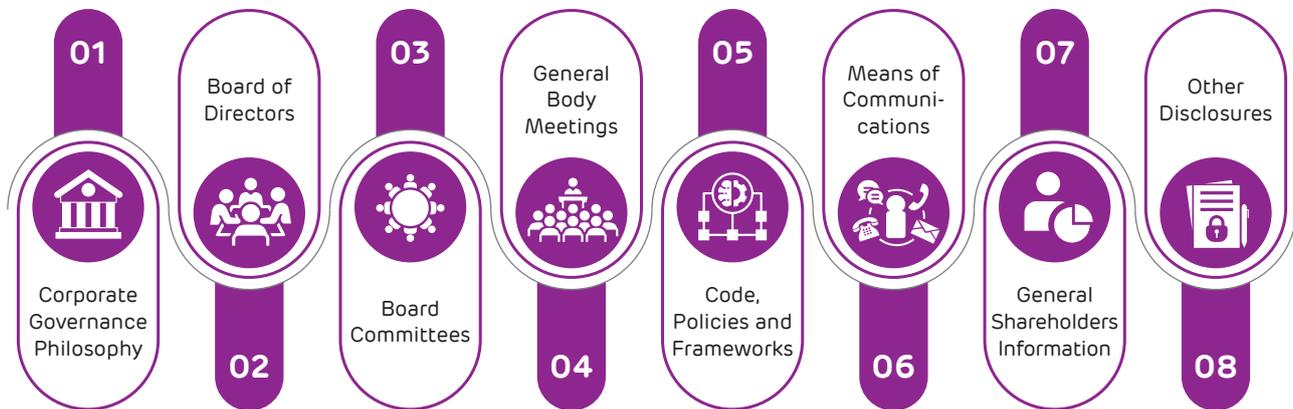
- Adequate documentation of policies and guidelines.
- Preparation & monitoring of Annual Budgets through monthly reviews of all operating & service functions
- MA&AS department prepared risk-based internal audit plan with a frequency of audit based on risk ratings of areas / functions. Scope is discussed amongst MA&AS team, functional heads / process owners / CEO & CFO. The audit plan is formally reviewed and approved by Audit Committee of the Board.
- Internal audit process is automated and managed on a documentation platform - Audit Management System.
- The Company has a strong compliance management system, underpinned by an online monitoring system.
- The Company practices delegation of power with authority limits for approving revenue & capex expenditure.
- The Company uses Enterprise Resource Planning (ERP) System (SAP) to record data for accounting, consolidation, and management information purposes.
- The Company engages external experts to conduct independent reviews of the effectiveness of business processes.
- The Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

The Audit Committee reviews the execution of audit plan and internal audit recommendations including those relating to strengthening the Company's policies & systems on a periodic basis.

# Corporate Governance Report

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. The Company is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. Our robust corporate governance structure is based on well-structured policies and procedures that are the backbone of our governance philosophy. Our policies are formulated to ensure business continuity and to maintain a high quality throughout our operations.

This report is divided into following sections:



## Corporate Governance Philosophy

**Courage, Trust** and **Commitment** are the main tenets of our Corporate Governance Philosophy -

- **Courage:** we shall embrace new ideas and businesses.
- **Trust:** we shall believe in our employees and other stakeholders.
- **Commitment:** we shall stand by our promises and adhere to high standards of business.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth. The cardinal principles such as independence, accountability, responsibility, transparency, fair and timely disclosures, credibility, sustainability, etc. serve as the means for implementing the philosophy of corporate governance in letter and in spirit.

## Governance principles

At the heart of the Company, governance commitment is a one tier Board system with Board of Directors possessing a disciplined orientation and distinctive priorities.

### Ethics and integrity:

The Board of the Company is committed to the highest integrity standards. The Directors commit to abide by the 'Code of Conduct', regulations and policies under oath, endeavouring to demonstrate intent and actions consistent with stated values.

### Responsible conduct:

The Board emphasises the Company's role in contributing to neighborhoods, terrains, communities and societies. In line with this, the Company is accountable for its environment and societal impact, corresponded by compliance with laws and regulations. As a mark of responsibility, the Company's business extends beyond minimum requirements with the objective of emerging as a responsible corporate.

### Accountability and transparency:

The Board engage in comprehensive financial and non-financial reporting, aligned to best practices relating to disclosures; it follows internal and/or external assurance and governance procedures.

### Key pillars of Corporate Governance Philosophy of the Company

- Accurate, uniform and timely dissemination of disclosures of corporate, financials and operational information to all stakeholders.
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in guiding strategies.
- Board Governance through specialised sub-committees in the areas of Audit, Risk Management, HR & Nomination, ESG, Corporate Social Responsibility and Stakeholders' Relationship etc.
- Compliance with all relevant laws in both form and substance.
- Effective and clear Governance structure with diverse Board, Board Committees and Senior Management.
- Robust risk management framework, strong foundation of Code of Conduct and business policies & procedures.
- Well-defined corporate structure that establishes checks, balances and delegation of authority at appropriate levels in the organisation.
- Transparent procedures, practices and decisions based on adequate information.

- Oversight of Board on Company's business strategy, major developments and key activities.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), as applicable.

### Board of Directors

The Board of Directors ("**Board**"), is the highest authority for the governance and the custodian who push our business in the right direction and is responsible for the establishment of cultural, ethical, sustainable and accountable growth of the Company. The Board is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

### Size and Composition

The Board of your Company comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors with 50% of the Board members comprising Independent Directors including an Independent Woman Director. The Board composition is in conformity with the applicable provisions of Companies Act, 2013 ("**Act**"), the SEBI Listing Regulations, as amended from time to time and other applicable statutory provisions.

As on March 31, 2024, the Board consists of following Directors:

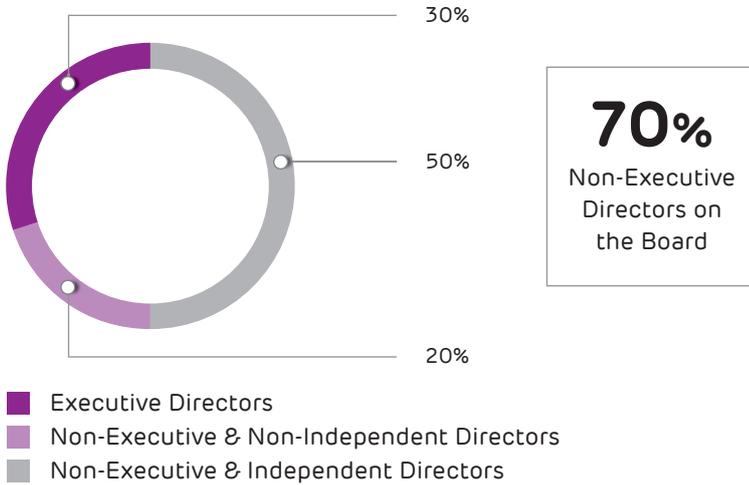
S. No.	Category	Name of Director	% of Total Board size
1	Executive Directors	i. Mr. Gautam S. Adani, Chairman ii. Mr. Karan Adani, MD iii. Mr. Ashwani Gupta, WTD & CEO	27%
2	Non-Executive & Non-Independent Directors	i. Mr. Rajesh S. Adani ii. Mr. Rajkumar Beniwal, IAS	18%
3	Non-Executive & Independent Directors	i. Mr. G. K. Pillai ii. Prof. G. Raghuram iii. Mr. P. S. Jayakumar iv. Mr. Bharat Sheth v. Mrs. Nirupama Rao <sup>1</sup> vi. Mrs. M. V. Bhanumathi	55%

**MD:** Managing Director | **WTD:** Whole-Time Director | **CEO:** Chief Executive Officer

<sup>1</sup> Ceased as Director w.e.f. April 21, 2024

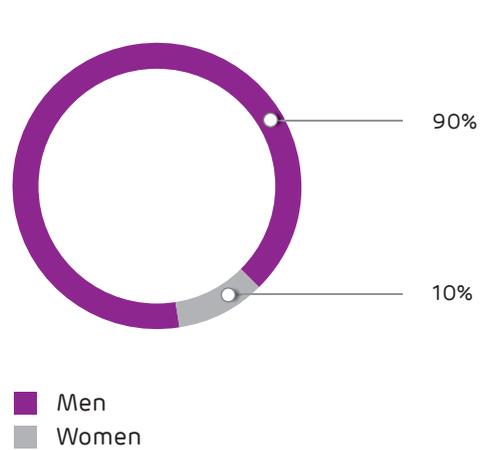
## Board Composition

(As on May 2, 2024)



## Board Gender Diversity

(As on May 2, 2024)



The present strength of the Board reflects a judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

No Director is related to each other except Mr. Gautam S. Adani and Mr. Rajesh S. Adani, who are related to each other as brothers and Mr. Karan Adani who is son of Mr. Gautam S. Adani.

### Brief details of Board of Directors

The brief details of the Directors of the Company as on March 31, 2024 are as under:

#### Mr. Gautam S. Adani (DIN: 00006273) (Executive Chairman and Promoter Director)

Mr. Gautam S. Adani, aged 61 years, is a Promoter Director of the Company since incorporation i.e. May 26, 1998. He was re-designated as Executive Chairman of the Company w.e.f. January 4, 2024.

Mr. Gautam S. Adani holds 1 (one) equity share of the Company as on March 31, 2024 in his individual capacity.

#### Mr. Gautam S. Adani is on the board of the following other public companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Adani Enterprises Limited, Promoter & Executive	Nil
Adani Energy Solutions Limited, Promoter & Non-Executive	
Adani Total Gas Limited, Promoter & Non-Executive	
Adani Power Limited, Promoter & Non-Executive	
Adani Green Energy Limited, Promoter & Non-Executive	
Ambuja Cements Limited, Non-Executive	

Mr. Gautam S. Adani doesn't occupy any position in any of the audit committee and stakeholders' relationship committee.

#### Mr. Rajesh S. Adani (DIN: 00006322) (Non-Executive and Promoter Director)

Mr. Rajesh S. Adani, aged 59 years, is a Non-Executive and Promoter Director of the Company since incorporation i.e. May 26, 1998.

Mr. Rajesh S. Adani holds 30,001 (Thirty Thousand One) equity shares of the Company as on March 31, 2024 in his individual capacity.

#### Mr. Rajesh S. Adani is on the board of the following other public companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Adani Enterprises Limited, Promoter & Executive	Adani Welspun Exploration Limited, Non-Executive
Adani Energy Solutions Limited, Promoter & Executive	
Adani Power Limited, Promoter & Non-Executive	
Adani Green Energy Limited, Promoter & Non-Executive	

Mr. Rajesh S. Adani doesn't occupy the position of chairman in any of the audit committee and stakeholders' relationship committee.

**Mr. Rajesh S. Adani is member of the following audit committee and stakeholders' relationship committee (other than the Company):**

Name of the Companies	Name of the Committee
Adani Power Limited	Stakeholders' Relationship Committee Audit Committee
Adani Energy Solutions Limited	Stakeholders' Relationship Committee

**Mr. Karan Adani (DIN: 03088095) (Managing Director)**

Mr. Karan Adani, aged 37 years, is a Director of the Company since May 24, 2017. He was re-designated as Managing Director of the Company w.e.f. January 4, 2024.

Mr. Karan Adani does not hold any equity share of the Company as on March 31, 2024 in his individual capacity.

**Mr. Karan Adani is on the board of the following other public companies:**

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Ambuja Cements Limited, Non-Executive	Nil
ACC Limited, Non-Executive	

Mr. Karan Adani doesn't occupy the position of chairman in any of the audit committee and stakeholders' relationship committee.

**Mr. Karan Adani is member of the following audit committee and stakeholders' relationship committee (other than the Company):**

Name of the Companies	Name of the Committee
Ambuja Cements Limited	Stakeholders' Relationship Committee
ACC Limited	Stakeholders' Relationship Committee

**Mr. Ashwani Gupta (DIN: 10455435) (Whole-Time Director & Chief Executive Officer)**

Mr. Ashwani Gupta, aged 53 years, is a Chief Executive Officer & Whole-Time Director of the Company w.e.f. January 4, 2024 and January 5, 2024 respectively.

Mr. Ashwani Gupta does not hold any equity share of the Company as on March 31, 2024 in his individual capacity.

Mr. Ashwani Gupta does not hold directorship in any other public company.

Mr. Ashwani Gupta doesn't occupy any position in any of the audit committee and stakeholders' relationship committee.

**Mr. G. K. Pillai (DIN: 02340756) (Non-Executive & Independent Director)**

Mr. G. K. Pillai, aged 74 years, is a Non-Executive & Independent Director of the Company since August 9, 2014.

Mr. G. K. Pillai does not hold any equity share of the Company as on March 31, 2024 in his individual capacity.

**Mr. G. K. Pillai is on the board of the following other public companies:**

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Berger Paints India Limited, Non-Executive & Independent	Kerala Infrastructure Fund Management Limited, Non-Executive
	Tata International Limited, Non-Executive & Independent

Mr. G. K. Pillai doesn't occupy the position of chairman in any of the audit committee and stakeholders' relationship committee (other than the Company).

**Mr. G. K. Pillai is member of the following audit committee and stakeholders' relationship committee (other than the Company):**

Name of the Companies	Name of the Committee
Tata International Limited	Audit Committee
Kerala Infrastructure Fund Management Limited	Audit Committee

**Prof. G. Raghuram (DIN: 01099026) (Non-Executive & Independent Director)**

Prof. G. Raghuram, aged 68 years, is a Non-Executive & Independent Director of the Company since August 9, 2014.

Prof. G. Raghuram does not hold any equity share of the Company as on March 31, 2024 in his individual capacity.

**Prof. G. Raghuram is on the board of the following other public companies:**

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Jupiter Wagons Limited, Non-Executive & Independent	Nil

Prof. G. Raghuram doesn't occupy the position of chairman in any of the audit committee and stakeholders' relationship committee (other than the Company).

**Prof. G. Raghuram is member of the following audit committee and stakeholders' relationship committee (other than the Company):**

Name of the Companies	Name of the Committee
Jupiter Wagons Limited	Audit Committee

**Mr. P. S. Jayakumar (DIN: 01173236) (Non-Executive & Independent Director)**

Mr. P. S. Jayakumar, aged 62 years, is a Non-Executive & Independent Director of the Company since July 23, 2020.

Mr. P. S. Jayakumar does not hold any equity share of the Company as on March 31, 2024 in his individual capacity.

**Mr. P. S. Jayakumar is on the board of the following other public companies:**

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
JM Financials Limited, Non-Executive & Independent	Emcure Pharmaceuticals Limited, Non-Executive & Independent
CG Power and Industrial Solutions Limited, Non-Executive & Independent	Northern ARC Capital Limited, Non-Executive & Independent
HT Media Limited, Non-Executive & Independent	Tata Motors Finance Limited, Non-Executive & Independent
	Zuventus Healthcare Limited, Non-Executive & Independent
	Future Generali India Life Insurance Company Limited, Non-Executive & Independent
	Adani Logistics Limited, Non-Executive & Independent

**Mr. P. S. Jayakumar is a chairman of the following audit committee and stakeholders' relationship committee (other than the Company):**

Name of the Companies	Name of the Committee
Tata Motors Finance Limited	Audit Committee
CG Power and Industrial Solutions Limited	Audit Committee

**Mr. P. S. Jayakumar is member of the following audit committee and stakeholders' relationship committee (other than the Company):**

Name of the Companies	Name of the Committee
JM Financials Limited	Audit Committee
Emcure Pharmaceuticals Limited	Audit Committee
Northern ARC Capital Limited	Audit Committee
HT Media Limited	Audit Committee
Zuventus Healthcare Limited	Audit Committee
Future Generali India Life Insurance Company Limited	Audit Committee

**Mr. Bharat Sheth (DIN: 00022102) (Non-Executive & Independent Director)**

Mr. Bharat Sheth, aged 66 years, is a Non-Executive & Independent Director of the Company since October 15, 2019.

Mr. Bharat Sheth does not hold any equity share of the Company as on March 31, 2024 in his individual capacity.

**Mr. Bharat Sheth is on the board of the following other public Companies:**

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
The Great Eastern Shipping Company Limited, Dy. Chairman & Managing Director	Greatship (India) Limited

Mr. Bharat Sheth doesn't occupy the position of chairman in any of the audit committee and stakeholders' relationship committee.

**Mr. Bharat Sheth is member of the following audit committee and stakeholders' relationship committee (other than the Company):**

Name of the Companies	Name of the Committee
The Great Eastern Shipping Company Limited	Stakeholders' Relationship Committee

**Mr. Rajkumar Beniwal, IAS (DIN: 07195658) (Non-Executive & Non-Independent Director)**

Mr. Rajkumar Beniwal, IAS, aged 46 years, is a Non-Executive & Non-Independent Director (GMB Nominee) of the Company since November 9, 2023.

Mr. Rajkumar Beniwal, IAS does not hold any equity share of the Company as on March 31, 2024 in his individual capacity.

Mr. Rajkumar Beniwal, IAS is on the board of the following other public companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Gujarat Pipavav Port Limited, Nominee Director	GSPC LNG Limited, Director
	Gujarat Port and Logistics Company Limited, Nominee Director
	Gujarat Chemical Port Limited, Nominee Director
	Swan LNG Private Limited, Nominee Director
	Gujarat Ports Infrastructure and Development Company Limited, Managing Director
	Gujarat Urban Development Company Limited, Managing Director
	Gujarat International Finance Tec-City Company Limited, Nominee Director
	Diamond Research and Mercantile City Limited, Nominee Director

Mr. Rajkumar Beniwal, IAS doesn't occupy any position in any of the audit committee and stakeholders' relationship committee.

**Mrs. M. V. Bhanumathi (DIN: 10172983) (Non-Executive & Independent Director)**

Mrs. M. V. Bhanumathi, aged 61 years, is a Non-Executive & Independent Director of the Company since February 28, 2024.

Mrs. M. V. Bhanumathi does not hold any equity share of the Company as on March 31, 2024 in her individual capacity.

Mrs. M. V. Bhanumathi is on the board of the following other public Companies:

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Nil	UPL Sustainable Agri Solutions Limited, Non-Executive & Independent

Mrs. M. V. Bhanumathi doesn't occupy the position of chairman in any of the audit committee and stakeholders' relationship committee.

**Mrs. M. V. Bhanumathi is member of the following audit committee and stakeholders' relationship committee:**

Name of the Companies	Name of the Committee
UPL Sustainable Agri Solutions Limited	Audit Committee

**Mrs. Nirupama Rao (DIN: 06954879) (Non-Executive & Independent Director)**

Mrs. Nirupama Rao, aged 73 years, is a Non-Executive & Independent Director of the Company since April 22, 2019.

Mrs. Nirupama Rao does not hold any equity share of the Company as on March 31, 2024 in her individual capacity.

Mrs. Nirupama Rao is on the board of the following other public Companies:

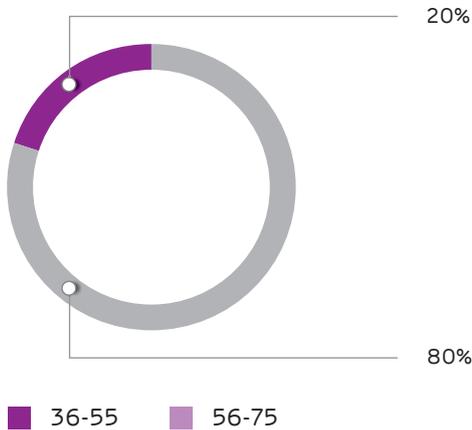
Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
ITC Limited, Non-Executive & Independent	Nil
JSW Steel Limited, Non-Executive & Independent	
KEC International Limited, Non-Executive & Independent	

Mrs. Nirupama Rao doesn't occupy any position in any of the audit committee and stakeholders' relationship committee.

Mrs. Nirupama Rao ceased as Independent Director of the Company on completion of her term of 5 years on April 21, 2024.

## Board Age profile and Board Experience is as under:

### Board Age Profile



### Board Experience



## Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

### Business Leaderships

Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.

### Financial Expertise

Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.

### Risk Management

Ability to understand and assess the key risks to the organisation, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.

### Global Experiences

Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.

### Merger & Acquisition

Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the company's strategy and evaluate operational integration plans.

### Corporate Governance & ESG

Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.

### Technology & Innovations

Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, datacentre, data security etc.

### Industry and Sector Experience

Knowledge and experience in the business sector to provide strategic guidance to the management in fast changing environment.

In the table below, the specific areas of focus or expertise of individual directors have been highlighted.

Name of Director	Areas of Skills/ Expertise							
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology & Innovation	Industry & Sector Experience
Mr. Gautam S. Adani	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rajesh S. Adani	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Karan Adani	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ashwani Gupta	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rajkumar Beniwal, IAS	✓	-	✓	-	✓	-	-	✓
Prof. G. Raghuram	✓	✓	✓	✓	✓	✓	✓	✓
Mr. G. K. Pillai	✓	✓	✓	-	✓	-	✓	✓
Mr. Bharat Sheth	✓	-	✓	✓	✓	-	-	✓
Mr. P. S. Jayakumar	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. M. V. Bhanumathi	✓	✓	✓	-	✓	-	✓	-

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

### Directors' selection, appointment and tenure:

The Directors of the Company are appointed / re-appointed by the Board on the recommendation of the Nomination and Remuneration Committee and approval of the Shareholders at the General Meeting(s) or through means of Postal Ballot. In accordance with the Articles of Association of the Company and provisions of the Act, all the Directors, except the Executive Chairman and Independent Directors of the Company are liable to retire by rotation at the Annual General Meeting ("AGM") each year and, if eligible, offer their candidature for re-appointment. The Executive Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of employment with the Company.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and SEBI Listing Regulations.
- In keeping with progressive governance practices, it has resolved to appoint all new Independent Directors for two terms up to 3 (three) years

each. Further, terms of appointment of other Non-Executive Directors shall also be subject to approval of shareholders at their meeting held every 5 (five) years.

None of the Independent Director(s) of the Company resigned during the year before the expiry of their tenure.

In compliance with Regulation 17A and 26 of the SEBI Listing Regulations, none of the Directors is a director of more than 10 (ten) committees or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Company's Board is a member of more than 10 (ten) committees and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/she is a director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies.

Any person who becomes Director or Key Managerial Personnel shall be covered under the Directors' and Officers' Liability Insurance Policy. The Company has provided insurance cover in respect of legal action against its Directors and Key Managerial Personnel under the Directors' and Officers' Liability Insurance.

## Independent Directors

The Independent Directors are the Board members who are required to meet baseline definition and criteria on 'independence' as set out in Regulation 16 of the SEBI Listing Regulations, Section 149(6) of the Act read with rules and Schedule IV thereto and other applicable regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

Accordingly, based on the declarations received from all Independent Directors, the Board has confirmed that Independent Directors of the Company fulfill the conditions specified in the Act and SEBI Listing Regulations and are independent of the management. Further, the Independent Directors confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs. As mentioned earlier in this report, the Board includes 6 (six) Independent Directors as on March 31, 2024.

The Company issues a formal letter of appointment to the Independent Director at the time of their appointment / re-appointment. The terms and conditions of the appointment of Independent Directors are available on the Company's website at <https://www.adaniports.com>

## Changes in the Board

1. Mr. Ranjitsinh B. Barad, IAS (DIN:07559958), representing Gujarat Maritime Board, resigned as Director of your Company w.e.f. June 23, 2023.
2. Mr. Rajkumar Beniwal, IAS (DIN: 07195658), Vice Chairman & CEO, Gujarat Maritime Board was appointed as an Additional Director of your Company w.e.f. November 9, 2023. His appointment was approved by the shareholders in the Extra Ordinary General Meeting held on January 6, 2024.
3. The designation of Mr. Gautam S. Adani (DIN: 00006273) was changed from Managing Director to Executive Chairman w.e.f. January 4, 2024. The same was approved by the shareholders by way of Postal Ballot on April 2, 2024.
4. The designation of Mr. Karan Adani (DIN: 03088095) was changed from Whole-Time Director and Chief Executive Officer to Managing Director w.e.f. January 4, 2024. The same was approved by the shareholders by way of Postal Ballot on April 2, 2024.

5. Mr. Ashwani Gupta (DIN: 10455435) was appointed as Chief Executive Officer and Whole-Time Director of the Company w.e.f. January 4, 2024 and January 5, 2024, respectively. His appointment was approved by the shareholders by way of Postal Ballot on April 2, 2024.
6. Dr. Malay Mahadevia (DIN: 00064110) resigned as Director of the Company w.e.f. January 3, 2024.
7. Mr. Karan Adani (DIN: 03088095), Managing Director is retiring at the ensuing AGM and being eligible, offers himself for re-appointment.
8. Mrs. M. V. Bhanumathi (DIN: 10172983) was appointed as Non-Executive and Independent Director of the Company w.e.f. February 28, 2024. Her appointment was approved by the shareholders by way of Postal Ballot on April 2, 2024.
9. Mrs. Nirupama Rao (DIN: 06954879) ceased as an Independent Director of the Company w.e.f. April 21, 2024 on completion of her tenure.

The brief resume of the Director proposed to be re-appointed is given in the Explanatory Statement annexed to the Notice convening the ensuing Annual General Meeting.

## Board Meetings and Procedure

### Meetings Schedule and Agenda

The schedule of the Board meetings and Board Committee meetings are finalized in consultation with the Board members and communicated to them in advance. The Board calendar for the financial year 2024-25 has been disclosed later in this report and has also been uploaded on the Company's website. Additional meetings are called, when necessary, to consider urgent business matters.

All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

The Board devotes its significant time in evaluation of current and potential strategic issues and reviews Company's business plans, corporate strategy and risk management issues based on the markets it operates in and in light of global industry trends and developments to help achieve its strategic goals.

The Chief Financial Officer and other Senior Management members are invited to the Board and Committee meetings to present updates on the items being discussed at the meeting. In addition, the functional

heads of various business segments/ functions are also invited at regular intervals to present updates on the respective business functions.

### Availability of information to the Board

The Board has complete and unfettered access to all relevant information within the Company, to the Senior Management and all the auditors of the Company. Board Meetings are governed by a structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary prepares the detailed agenda for the meetings, in consultation with the Senior Management.

Agenda papers and notes on the agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. In order to transact some urgent business, which may come up after circulation of agenda papers, the same is placed before the Board by way of table agenda or Chairman's agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering financial and operations of the Company, terms of reference of the Committees, business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

### During the year under review, Board met 10 (ten) times on:

01 April 22, 2023

02 May 4, 2023

03 May 30, 2023

04 August 8, 2023

05 August 12, 2023

06 November 9, 2023

07 December 12, 2023

08 January 3, 2024

09 February 1, 2024

10 March 2, 2024

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum gap between two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The attendance of the Board members at the Board meetings and the Annual General Meeting of the Company held during FY 2023-24, is as follows:

Name of Director	AGM held on August 8, 2023	Board Meetings										Total Board Meetings held during Tenure	Board Meetings Attended	% of Attendance
		1	2	3	4	5	6	7	8	9	10			
Mr. Gautam S. Adani 												10	10	100.00
Mr. Rajesh S. Adani												10	10	100.00
Mr. Karan Adani												10	10	100.00
Dr. Malay Mahadevia <sup>1</sup>										N.A.	N.A.	8	7	87.50
Mr. Ashwani Gupta <sup>2</sup>	N.A.	N.A.			2	2	100.00							
Mr. G. K. Pillai												10	10	100.00
Prof. G. Raghuram												10	10	100.00
Mr. Bharat Sheth												10	8	80.00
Mrs. Nirupama Rao <sup>3</sup>												10	6	60.00
Mr. P. S. Jayakumar												10	8	80.00
Mr. Ranjitsinh Barad <sup>4</sup>					N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	3	-	0.00
Mr. Rajkumar Beniwal <sup>5</sup>	N.A.					4	-	0.00						
Mrs. M. V. Bhanumathi <sup>6</sup>	N.A.	N.A.	N.A.		1	1	100.00							

<sup>1</sup>Ceased as a Director w.e.f. January 3, 2024.

<sup>2</sup>Appointed as an Additional Director and Whole-Time Director w.e.f. January 5, 2024. Shareholders approval for appointment obtained on April 2, 2024.

<sup>3</sup>Ceased as Director on completion of term on April 21, 2024.

<sup>4</sup>Ceased as a Director w.e.f. June 23, 2023.

<sup>5</sup>Appointed as an Additional Director w.e.f. November 9, 2023. Shareholders approval for appointment obtained on January 6, 2024.

<sup>6</sup>Appointed as an Additional Director w.e.f. February 28, 2024. Shareholders approval for appointment obtained on April 2, 2024.

N.A. = Not Applicable

 Attended through video conference

 Leave of absence

 Attended in Person

 Chairman

**10**  
Meetings

**85%**  
Average Attendance

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance with the condition of clause 10 (j) of schedule V of the SEBI Listing Regulations.

### Meeting of Independent Directors:

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. They also have separate meeting(s) with the Chairman of the Board, to discuss issues and concerns, if any. The Independent Directors met once during the Financial Year 2023-24, on March 29, 2024. The Independent Directors inter alia discuss the issues arising out of the Committee Meetings and Board discussion including the

quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

Statutory Auditors also have independent access to the members of the Audit Committee to discuss internal audit effectiveness, control environment and their general feedback. The Independent Directors also have access to Secretarial Auditor and the management for discussions and questions, if any.

### Directors' Induction and Familiarisation

The Board Familiarisation Program comprises of the following:

- Induction Program for Directors including Non-Executive Directors
- Immersion sessions on business and functions; and
- Strategy sessions

All new directors are taken through a detailed induction and familiarisation program when they join the Board of the Company. The induction program is an exhaustive one that covers the history and culture of Adani portfolio of companies, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Deep dives and immersion sessions are conducted by senior executives on their respective functions. Key aspects that are covered in these sessions include:

- Industry / market trends
- Company's operations including those of major subsidiaries
- Growth Strategy
- ESG Strategy and performance

As part of familiarisation program, the Independent Directors of the Company participated in the Directors' Engagement Series, where the Independent Directors are apprised about critical topics such as global trends in the domain of ESG, Capital Markets, Risk Management, Credit Profile, Financial Controls beside general awareness about other Adani portfolio companies and key developments. During the year, 5 (five) such events were conducted. Each event has a minimum of two sessions followed by Q&A session of one hour. Site visits were also organized during one or two such events.

Apart from the above, the Company also organizes an annual strategy meet with the Board to deliberate on various topics related to strategic planning, progress of ongoing strategic initiatives, risks to strategy execution and the need for new strategic programs to achieve the Company's long-term objectives. This serves the dual purpose of providing the Board members a platform to bring their expertise to various strategic initiatives, while also providing an opportunity for them to understand detailed aspects of execution and challenges relating to the specific theme.

In summary, through the above events/meetings, members of the Board get a comprehensive and balanced perspective on the strategic issues facing the Company, the competitive differentiation being pursued by the Company, and an overview of the execution plan. In addition, this event allows the members of the Board to interact closely with the senior leadership of the Company.

### Remuneration Policy:

The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate high-caliber executives and to incentivize them to develop and implement the Group's strategy, thereby enhancing business value and maintain a high-performance workforce. The Policy ensures that the level and composition of remuneration of the Directors is optimum.

#### i) Remuneration to Non-Executive Directors:

The Members at the Annual General Meeting held on August 6, 2019, approved the payment of remuneration by way of commission to the Non-Executive Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act for a period of 5 years commencing from April 1, 2019. Pursuant to this, the remuneration by way of commission to the Non-Executive Directors is decided by the Board. In addition to commission, the Non-Executive Directors are paid sitting fees of ₹ 50,000 for attending Board and Audit Committee meetings and ₹ 25,000 for attending other committees along with actual reimbursement of expenses, incurred for attending each meeting of the Board and Committees.

The Company has taken a Directors' & Officers' Liability Insurance Policy.

**ii) Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

**iii) Remuneration to Executive Directors:**

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other

organisations. The pay structure of Executive Directors has appropriate success and sustainability metrics built in. The variable pay is linked to both financial and ESG indicators, which include Total Shareholder Return, Revenue, EBITDA, ROCE, Health & Safety metrics, Human Rights parameters, Energy Intensity, GHG Intensity, Water Intensity, Zero Waste to Landfill and mangrove afforestation. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), to its Executive Directors within the limits prescribed under the Act is approved by the Board and by the Members in the General Meeting.

The Executive Directors are not being paid sitting fees for attending meetings of the Board and its Committee.

**Details of Remuneration:**

**i) Non-Executive Directors:**

The details of sitting fees and commission paid to Non-Executive Directors during the financial year 2023-24 are as under:

				(₹ In lakhs)
Name	Commission	Sitting Fees	Total	
Mr. Rajesh S. Adani	-	5.00	5.00	
Dr. Malay Mahadevia <sup>1</sup>	-	4.25	4.25	
Mr. G. K. Pillai	20.00	14.75	34.75	
Prof. G. Raghuram	20.00	12.50	32.50	
Mr. P. S. Jayakumar	20.00	10.00	30.00	
Mr. Bharat Sheth	20.00	5.00	25.00	
Mrs. Nirupama Rao <sup>2</sup>	20.00	7.00	27.00	
Mrs. M. V. Bhanumathi <sup>3</sup>	1.81	0.50	2.31	

<sup>1</sup>Ceased as Director w.e.f. January 3, 2024.

<sup>2</sup>Ceased as Director w.e.f. April 21, 2024.

<sup>3</sup>Appointed as Director w.e.f. February 28, 2024.

Other than sitting fees and commission paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive Directors of the Company. The Company has not granted stock options to Non-Executive Directors.

**ii) Executive Directors:**

Details of remuneration paid/payable to Executive Directors during the financial year 2023-24 are as under:

					(₹ In lakhs)
Name	Salary	Perquisites, Allowances & other Benefits	Commission <sup>#</sup>	Total	
Mr. Gautam S. Adani	180.00	-	500.00	680.00	
Mr. Karan Adani <sup>##</sup>	336.21	53.79	-	390.00	
Mr. Ashwani Gupta <sup>##</sup>	296.87	14.71	-	311.58	

<sup>#</sup>Payable in FY 2024-25

<sup>##</sup>Variable pay of FY 2023-24, will be disbursed in FY 2024-25

iii) Details of shares of the Company held by Directors as on March 31, 2024 are as under:

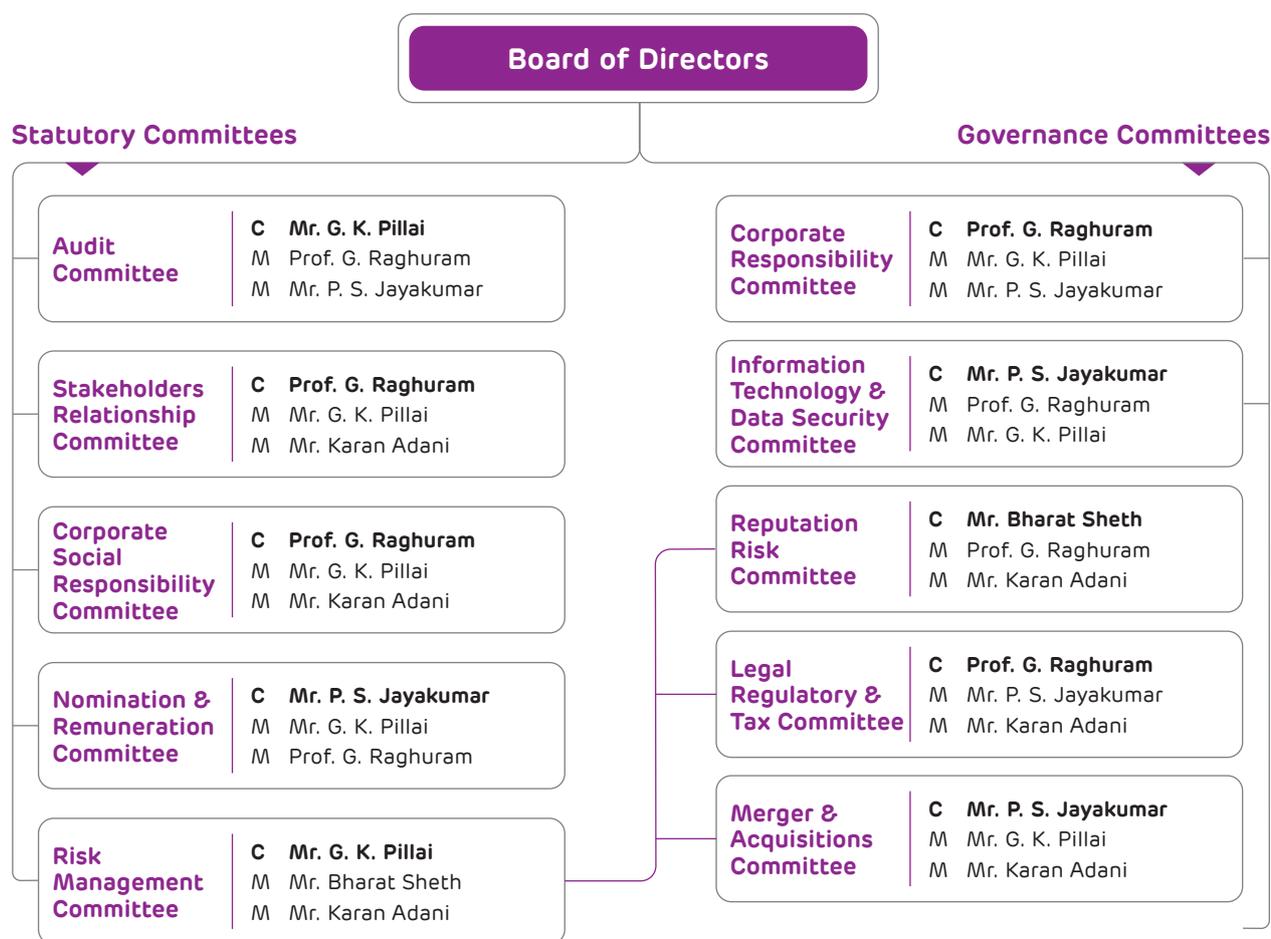
Name	No. of shares held
Mr. Gautam S. Adani	1
Mr. Rajesh S. Adani	30,001
Mr. Gautam S. Adani & Mr. Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	71,07,53,935

Except above, none of Directors of the Company holds equity shares of the Company in their individual capacity. The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of Severance Fees.

**Board Committees**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

The Board has constituted the following committees / Sub-committees:



C - Chairman M - Member

## Statutory Committees

### Audit Committee

The Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. A detailed charter of the Audit Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

The Audit Committee comprises solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

#### Terms of Reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

Terms of Reference	Frequency
To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible	
To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the company	
To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof	
To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to: <ul style="list-style-type: none"> <li>Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013</li> <li>Changes, if any, in accounting policies and practices and reasons for the same</li> <li>Major accounting entries involving estimates based on the exercise of judgment by the management</li> <li>Significant adjustments made in the financial statements arising out of audit findings</li> <li>Compliance with listing and other legal requirements relating to financial statements</li> <li>Disclosure of any related party transactions</li> <li>Modified opinion(s) in the draft audit report</li> </ul>	
To review, with the management, the quarterly financial statements before submission to the board for approval	
To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter	
To review and monitor the Auditor's independence and performance, and effectiveness of audit process	
To approve or any subsequent modification of transactions of the company with related parties	
To scrutinise inter-corporate loans and investments	
To undertake valuation of undertakings or assets of the company, wherever it is necessary	
To evaluate internal financial controls and risk management systems	
To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems	

## ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

Integrated Annual Report 2023-24

Terms of Reference	Frequency
To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit	
To discuss with internal auditors of any significant findings and follow up there on	
To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board	
To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern	
To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors	
To review the functioning of the Whistle Blower mechanism	
To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate	
To review financial statements, in particular the investments made by the Company's unlisted subsidiaries	
To review compliance with the provisions of SEBI Insider Trading Regulations and verify that the systems for internal control are adequate and are operating effectively	
To review the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments	
To oversee the company's disclosures and compliance risks, including those related to climate	
To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders	
To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon	
To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines	
To review and recommend to the Board for approval – Business plan, Budget for the year and revised estimates	
To review Company's financial policies, strategies and capital structure, working capital and cash flow management	
To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee	-
To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations	
To review management discussion and analysis of financial condition and results of operations	
To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors	
To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable	

### Frequency

 Annually

 Half yearly

 Quarterly

 Periodically

### Meetings, Attendance & Composition of the Audit Committee:

The Audit Committee met 9 (nine) times during the FY 2023-24 on:

01 April 4, 2023

02 May 4, 2023

03 May 30, 2023

04 August 7, 2023

05 August 12, 2023

06 November 9, 2023

07 December 12, 2023

08 January 31, 2024

09 March 21, 2024

The intervening gap between the two meetings did not exceed 120 days.

100%

Independence

9

Meetings

3

Members

88%

Average Attendance

The composition of Audit Committee and details of attendance of the members during FY 2023-24 are given below:

Name of the Director	Audit Committee Meetings									Held during the tenure	Total Attended	% of attendance
	1	2	3	4	5	6	7	8	9			
Mr. G.K. Pillai 										9	9	100.00
Mr. P. S. Jayakumar										9	8	89.00
Prof. G. Raghuram										9	9	100.00
Mrs. Nirupama Rao <sup>1</sup>						N.A.	N.A.	N.A.	N.A.	5	2	40.00
Attendance (%)	75	75	75	100	100	66.67	100	100	100	-	-	-

<sup>1</sup> Ceased as member w.e.f. September 23, 2023

N.A. = Not Applicable

 Attended through video conference

 Leave of absence

 Attended in Person

 Chairman

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The meetings of the Audit Committee are also attended by the Whole Time Director & CEO, Chief Financial Officer, Statutory Auditors, Finance Controller and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Audit Committee also meets the Internal and Statutory Auditors separately, without the presence of Management representatives.

The Chairman of the Audit Committee attended the last AGM held on August 8, 2023 to answer the shareholders' queries.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") comprises of 3 (three) members, all of whom are Independent Directors. A detailed charter of the NRC is available on the website of the Company at: <https://www.adaniports.com/Investors/board-and-committee-charters>

**Terms of reference:**

The powers, role and terms of reference of the Committee covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of Nomination and Remuneration Committee are as under:

Terms of Reference	Frequency
To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees	
To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of Directors	
To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee and/ or by an independent external agency and review its implementation and compliance	
To devise a policy on diversity of Board of Directors	
To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal	
To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors	
To review and recommend remuneration of the Managing Director(s) / Whole-time Director(s) based on their performance	
To recommend to the Board, appointment of SMP and remuneration, in whatever form, payable to SMP	
To review, amend and approve all Human Resources related policies	
To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system	
To oversee workplace safety goals, risks related to workforce and compensation practices	
To oversee employee diversity programs	
To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management)	
To oversee familiarisation programme for Directors	
To recommend the appointment of one of the Independent Directors of the Company on the Board of its Material Subsidiary	
To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable	

**Frequency** | Annually    Half yearly    Quarterly    Periodically

**Meeting, Attendance & Composition of NRC:**

NRC met 6 (Six) times during the FY 2023-24 on:

- 01 May 29, 2023
- 02 August 7, 2023
- 03 November 4, 2023
- 04 December 12, 2023
- 05 January 3, 2024
- 06 January 31, 2024

The composition of NRC and details of attendance of the members during FY 2023-24 are given below:

**100%**  
Independence

**6**  
Meetings

**3**  
Members

**95%**  
Average Attendance

Name of the Director	NRC Meetings						Held during the tenure	Total Attended	% of attendance
	1	2	3	4	5	6			
Mr. P. S. Jayakumar 							6	5	83.33
Mr. G.K. Pillai							6	6	100.00
Mrs. Nirupama Rao <sup>1</sup>							6	6	100.00
Prof. G. Raghuram <sup>2</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	-	-	-
Attendance (%)	100	66.67	100	100	100	100	-	-	-

<sup>1</sup>Ceased as member on April 21, 2024

<sup>2</sup>Appointed as member on April 21, 2024

N.A. = Not Applicable

 Attended through video conference     Leave of absence     Attended in Person     Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each NRC meeting are placed in the next meeting of the Board.

### Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of Directors ("SRC") comprises of 3 (three) members, with a majority of Independent Directors. A detailed charter of the SRC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

### Terms of Reference:

The powers, role and terms of reference of SRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of Stakeholders Relationship Committee are as under:

Terms of Reference	Frequency
To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.	
To review the measures taken for effective exercise of voting rights by shareholders	
To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent	
To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company	
To review engagement programs with investors, proxy advisors, etc. and to oversee investors movement (share register)	
To review engagement with rating agencies (Financial, ESG etc.)	
To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts / unclaimed shares to the IEPF	
To suggest and drive implementation of various investor-friendly initiatives	

Terms of Reference	Frequency
To approve and register transfer and / or transmission of securities, issuance of duplicate security certificates, issuance of certificate on rematerialisation and to carry out other related activities	
To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable	

Frequency | Annually Half yearly Quarterly Periodically

#### Meeting, Attendance & Composition of the Stakeholders' Relationship Committee:

SRC met 3 (three) times during the FY 2023-24 on:

01 August 7, 2023

02 November 8, 2023

03 January 31, 2024

The composition of SRC and details of attendance of the members during FY 2023-24 are given below:



Name of the Director	SRC Meetings			Held during the tenure	Total Attended	% of attendance
	1	2	3			
Prof. G. Raghuram				3	3	100.00
Mr. G.K. Pillai				3	3	100.00
Mr. Karan Adani				3	2	66.67
Attendance (%)	100	66.67	100	-	-	-

Attended through video conference Leave of absence Attended in Person Chairman

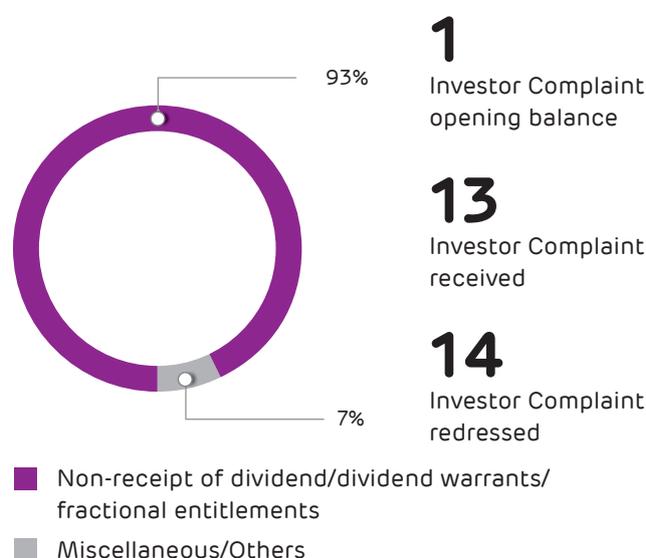
The Company Secretary acts as the Secretary to the Committee. The minutes of each SRC meeting are placed in the next meeting of the Board.

The Chairman of the SRC attended the last AGM held on August 8, 2023 to answer the shareholders' queries.

#### Details of Investor Complaints

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

During the Financial Year 2023-24, 13 complaints were received and resolved. As on March 31, 2024, no complaint was pending.



### Corporate Social Responsibility Committee

The Corporate Social Responsibility (“CSR”) Committee comprises of 3 (three) members, with a majority of Independent Directors. A detailed charter of the CSR Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

#### Terms of reference:

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

Terms of Reference	Frequency
To formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof	
To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy	
To recommend to the Board the amount of expenditure to be incurred on the CSR activities	
To monitor the implementation of framework of CSR Policy	
To review the performance of the Company in the areas of CSR	
To institute a transparent monitoring mechanism for implementation of CSR projects/activities undertaken by the company	
To recommend extension of duration of existing project and classify it as on-going project or other than on-going project	
To submit annual report of CSR activities to the Board	
To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board	
To review and monitor all CSR projects and impact assessment report	
To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties	

#### Frequency



Annually



Half yearly



Quarterly



Periodically

#### Meeting, Attendance & Composition of the CSR Committee:

CSR Committee met 2 (two) times during the FY 2023-24 on:

01 May 29, 2023

02 November 4, 2023

The composition of CSR Committee and details of attendance of the members during FY 2023-24 are given below:

67%

Independence

2

Meetings

3

Members

100%

Average Attendance

Name of the Director	CSR Meetings		Held during the tenure	Total Attended	% of attendance
	1	2			
Mrs. Nirupama Rao <sup>1</sup>			2	2	100
Prof. G. Raghuram			2	2	100
Mr. G.K. Pillai			2	2	100
Dr. Malay Mahadevia <sup>2</sup>			2	2	100
Mr. Karan Adani <sup>3</sup>	N.A.	N.A.	-	-	-
Attendance (%)	100	100	-	-	-

<sup>1</sup> Ceased as member w.e.f. April 21, 2024

<sup>2</sup> Ceased as member w.e.f. January 3, 2024

<sup>3</sup> Appointed as member w.e.f. January 3, 2024

N.A. = Not Applicable

Attended through video conference    Leave of absence    Attended in Person    Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each CSR meeting are placed in the next meeting of the Board.

### Risk Management Committee

The Risk Management Committee (“RMC”) comprises of 3 (three) members, with a majority of Independent Directors. A detailed charter of the Risk Management Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

The Board of Directors of the Company at its meeting held on October 27, 2021 constituted the following committees as Sub-committees of RMC as a part of good corporate governance practice –

- Merger & Acquisitions Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee

Constitution, meetings and terms of reference and other details of above Sub-committees, are separately included as a part of this report.

### Terms of reference:

The powers, role and terms of reference of RMC covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of RMC are as under:

Terms of Reference	Frequency
To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan	
To review and approve the Enterprise Risk Management ('ERM') framework	
To formulate a detailed risk management policy which shall include: <ul style="list-style-type: none"> <li>▪ A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee</li> <li>▪ Measures for risk mitigation including systems and processes for internal control of identified risks</li> <li>▪ Business continuity plan, oversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks</li> <li>▪ Oversee regulatory and policy risks related to climate change, including review of state and Central policies</li> </ul>	

Terms of Reference	Frequency
To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company	
To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems	
To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action	
To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity	
To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration	
To review and approve Company's risk appetite and tolerance with respect to line of business	
To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions	
To review and recommend to the Board various business proposals for their corresponding risks and opportunities	
To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed	
To form and delegate authority to subcommittee(s), when appropriate, such as: <ul style="list-style-type: none"> <li>▪ Merger &amp; Acquisitions Committee;</li> <li>▪ Legal, Regulatory &amp; Tax Committee;</li> <li>▪ Reputation Risk Committee; and</li> <li>▪ Other Committee(s) as the committee may think appropriate</li> </ul>	
To oversee suppliers' diversity	
To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable	

**Frequency** | Periodically Quarterly Half yearly Annually

#### Meeting, Attendance & Composition of the RMC:

RMC met 3 (three) times during the FY 2023-24 on:

**01** August 1, 2023

**02** November 8, 2023

**03** February 1, 2024

The composition of RMC and details of attendance of the members during FY 2023-24 are given below:

**67%**

Independence

**3**

Meetings

**3**

Members

**78%**

Average Attendance

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Name of the Director	RMC Meetings			Held during the tenure	Total Attended	% of attendance
	1	2	3			
Mr. G.K. Pillai 				3	3	100.00
Mr. Bharat Sheth				3	2	66.67
Dr. Malay Mahadevia <sup>1</sup>			N.A.	2	1	50.00
Mr. Karan Adani <sup>2</sup>	N.A.	N.A.		1	1	100.00
Attendance (%)	66.67	66.67	100.00	-	-	-

<sup>1</sup> Ceased as member w.e.f. January 3, 2024

<sup>2</sup> Appointed as member w.e.f. January 3, 2024

N.A. = Not Applicable

 Attended through video conference     Leave of absence     Attended in Person     Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each RMC meeting are placed in the next meeting of the Board.

The Company has a risk management framework to identify, monitor and minimise risks.

### Non-Statutory Committees

#### Corporate Responsibility Committee

The Corporate Responsibility Committee (“CRC”) comprises of 3 (three) members, all of whom are Independent Directors. A detailed charter of the Corporate Responsibility Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

Terms of Reference	Frequency
To define the Company's corporate and social obligations as a responsible citizen and oversee its conduct in the context of those obligations	
To approve a strategy for discharging the Company's corporate and social responsibilities in such a way as to provide an assurance to the Board and stakeholders	
To oversee the creation of appropriate policies and supporting measures (including Public disclosure policy, Anti-money Laundering policy, Anti Bribery, Fraud & Corruption policies etc.) and map them to UNSDG and GRI disclosure standards	
To identify and monitor those external developments which are likely to have a significant influence on Company's reputation and/or its ability to conduct its business appropriately as a good citizen and review how best to protect that reputation or that ability	
To review the Company's stakeholder engagement plan (including vendors / supply chain)	
To ensure that appropriate communications policies are in place and working effectively to build and protect the Company's reputation both internally and externally	
To review the Integrated Annual Report of the Company	

Terms of Reference	Frequency
To review and direct for alignment of actions / initiatives of the Company with United Nations Sustainable Development Goals 2030 (UNSDG): 1. No poverty 2. Zero hunger 3. Good health & well being 4. Quality education 5. Gender equality 6. Clean water and sanitation 7. Affordance and clean energy 8. Decent work and economic growth 9. Industry, Innovation and Infrastructure 10. Reduced inequalities 11. Sustainable cities and communities 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land 16. Peace and justice strong intuitions 17. Partnerships for goals	
To review sustainability and / or ESG and / or Climate reports or other disclosures such as ethical governance, environmental stewardship, safety performance, water and energy use etc. and similar communications to stakeholders on ESG initiatives and activities by the Company and ensure mapping of the same to GRI disclosure standards	
To oversee strategies, activities and policies regarding sustainable organisation including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework	
To oversee ethical leadership, compliance with the Company's sustainability policy, sustainability actions and proposals and their tie-in with the Strategic Plan, interaction with different stakeholders and compliance with the ethics code	
To oversee Company's initiatives to support innovation, technology, and sustainability	
To oversee sustainability risks related to supply chain, climate disruption and public policy	
To monitor Company's ESG ratings / scores from ESG rating agencies and improvement plan	
To approve appointment of Chief Sustainability Officer after assessing the qualification, experience and background etc. of the candidate	
To oversee the Company's: a. Vendor development and engagement programs b. program for ESG guidance (including Climate) to stakeholders and to seek feedback on the same and make further improvement programs	
To provide assurance to Board in relation to various responsibilities being discharged by the Committee	

**Frequency** |  Annually |  Half yearly |  Quarterly |  Periodically

#### Meeting, Attendance & Composition of the CRC:

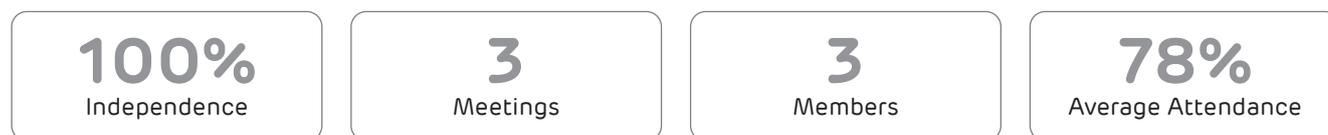
CRC met 3 (three) times during the FY 2023-24 on:

01 August 7, 2023

02 November 8, 2023

03 January 31, 2024

The composition of CRC and details of attendance of the members during FY 2023-24 are given below:



Name of the Director	CRC Meetings			Held during the tenure	Total Attended	% of attendance
	1	2	3			
Prof. G. Raghuram 				3	3	100.00
Mr. G.K. Pillai				3	3	100.00
Mr. P.S. Jayakumar				3	1	33.33
Attendance (%)	66.67	66.67	100.00	-	-	-

 Attended through video conference     Leave of absence     Attended in Person     Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each CRC meeting are placed in the next meeting of the Board.

**Information Technology & Data Security Committee:**

The Information Technology & Data Security Committee (“IT&DS Committee”) comprises of 3 (three) members, all of whom are Independent Directors. A detailed charter of the IT & DS Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

Terms of Reference	Frequency
To review and oversee the function of the Information Technology (IT) within the Company in establishing and implementing various latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated to the extent possible and thereby to add the value	
To review and oversee the necessary actions being taken by IT and Cyber team with respect to protection of various important data across the Company and what the policy for data protection and its sustainability	
To oversee the current cyber risk exposure of the Company and future cyber risk strategy	
To review at least annually the Company’s cyber security breach response and crisis management plan	
To review reports on any cyber security incidents and the adequacy of proposed action	
To assess the adequacy of resources and suggest additional measures to be undertaken by the Company	
To regularly review the cyber risk posed by third parties including outsourced IT and other partners	
To annually assess the adequacy of the Group’s cyber insurance cover	

**Frequency**     Annually     Half yearly     Quarterly     Periodically

**Meeting, Attendance & Composition of the IT&DS Committee:**

IT&DS Committee met 2 (two) times during the FY 2023-24 on:

- 01** August 7, 2023
- 02** January 31, 2024

The composition of IT&DS Committee and details of attendance of the members during FY 2023-24 are given below:

**100%**  
Independence

**2**  
Meetings

**3**  
Members

**100%**  
Average Attendance

Name of the Director	IT & DS Committee Meetings		Held during the tenure	Total Attended	% of attendance
	1	2			
Mrs. Nirupama Rao <sup>1</sup>			2	2	100.00
Prof. G. Raghuram			2	2	100.00
Mr. G.K. Pillai			2	2	100.00
Mr. P. S. Jayakumar <sup>2</sup>	N.A.	N.A.	-	-	-
Attendance (%)	100.00	100.00	-	-	-

<sup>1</sup> Ceased as member w.e.f. April 21, 2024

<sup>2</sup> Appointed as member w.e.f. April 21, 2024

N.A. = Not Applicable

Attended through video conference    Leave of absence    Attended in Person    Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each IT&DS Committee are placed in the next meeting of the Board.

#### Merger & Acquisitions Committee (M&A Committee):

The Merger & Acquisitions Committee ("M&A Committee") is a Sub-committee of RMC. The M&A Committee comprises of 3 (three) members, with a majority of Independent Directors. A detailed charter of the M&A Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

Terms of Reference	Frequency
To review acquisition strategies with the management	
To review proposals relating to merger, acquisition, investment or divestment ("Transaction/s") that are presented to the Committee (including how such transaction fits with the Company's strategic plans and acquisition strategy, Transaction timing, important Transaction milestones, financing, key risks (including cyber security) and opportunities, , risk appetite, tolerance and the integration plan) and if thought fit, to recommend relevant opportunities to the Audit Committee / Board as appropriate	
To oversee due diligence process with respect to proposed Transaction(s) and review the reports prepared by internal teams or independent external advisors, if appointed	
To evaluate execution / completion, integration of Transaction(s) consummated, including information presented by management in correlation with the Transaction approval parameters and the Company's strategic objectives	
To periodically review the performance of completed Transaction(s)	
To review the highlights good practices and learnings from Transaction and utilize them for future Transactions	
To review the tax treatment of Transactions and ascertain their effects upon the financial statements of the Company and seek external advice on the tax treatment of these items, where appropriate	

**Frequency** | Annually    Half yearly    Quarterly    Periodically

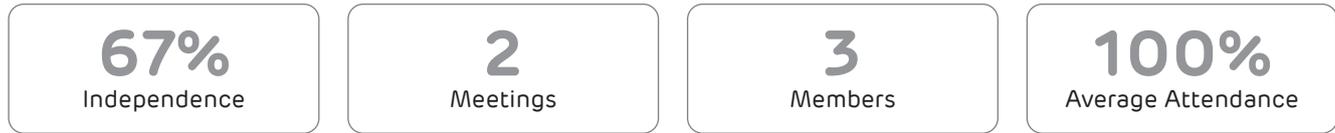
**Meeting, Attendance & Composition of the M&A Committee:**

M&A Committee met 2 (two) time during the FY 2023-24 on:

01 December 12, 2023

02 March 2, 2024

The composition of M&A Committee and details of attendance of the members during FY 2023-24 are given below:



Name of the Director	M&A Committee Meeting		Held during the tenure	Total Attended	% of attendance
	1	2			
Mr. P.S. Jayakumar			2	2	100.00
Mr. G.K. Pillai			2	2	100.00
Mr. Karan Adani			2	2	100.00
Attendance (%)	100.00	100.00	-	-	-

Attended through video conference    Leave of absence    Attended in Person    Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each M&A Committee are placed in the next meeting of the Board.

**Legal, Regulatory & Tax Committee:**

The Legal, Regulatory & Tax Committee (“**LRT Committee**”) is a sub-committee of RMC comprises of 3 (three) members, with majority of Independent Directors. A detailed charter of the LRT Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

Terms of Reference	Frequency
To exercise oversight with respect to the structure, operation and efficacy of the Company’s compliance program	
To review legal, tax and regulatory matters that may have a material impact on the Company’s financial statements and disclosures, reputational risk or business continuity risk	
To review compliance with applicable laws and regulations	
To approve the compliance audit plan for the year and review of such audits to be performed by the internal audit department of the Company	
To review significant inquiries received from, and reviews by, regulators or government agencies, including, without limitation, issues pertaining to compliance with various laws or regulations or enforcement or other actions brought or threatened to be brought against the Company by regulators or government authorities / bodies / agencies	
To review, oversee and approve the tax strategy and tax governance framework and consider and action tax risk management issues that are brought to the attention of the Committee	

Frequency | Annually    Half yearly    Quarterly    Periodically

**Meeting, Attendance & Composition of the LRT Committee:**

LRT Committee met 2 (two) times during the Financial Year 2023-24 on:

01 August 7, 2023

02 January 31, 2024

The composition of LRT Committee and details of attendance of the members during FY 2023-24 are given below:

67%

Independence

2

Meetings

3

Members

84%

Average Attendance

Name of the Director	LRT Committee Meetings		Held during the tenure	Total Attended	% of attendance
	1	2			
Prof. G. Raghuram 			2	2	100.00
Mr. P. S. Jayakumar			2	1	50.00
Mr. Karan Adani			2	2	100.00
Attendance (%)	66.67	100.00	-	-	-

 Attended through video conference Leave of absence Attended in Person Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each LRT Committee are placed in the next meeting of the Board.

**Reputation Risk Committee:**

The Reputation Risk Committee ("RR Committee") is a sub-committee of RMC comprises of 3 (three) members, with majority of Independent Directors. A detailed charter of the RR Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

**Terms of reference:**

Terms of Reference	Frequency
To review reports from management regarding reputation risk, including reporting on the Reputation Risk Management Framework and Reputation Risk Appetite	
To provide ongoing oversight of the reputational risk posed by global business scenario, functions, geographies, material legal changes, climate change or high-risk relationships / programs	
To assess and resolve specific issues, potential conflicts of interest and other reputation risk issues that are reported to the Committee	
To recommend good practices and measures that would avoid reputational loss	
To review specific cases of non-compliances, violations of codes of conduct which may cause loss to reputation the Company	

**Frequency** Annually Half yearly Quarterly Periodically

**Meeting, Attendance & Composition of the RR Committee:**

RR Committee met 2 (two) times during the Financial Year 2023-24 on:

01 August 7, 2023

02 February 1, 2024

The composition of RR Committee and details of attendance of the members during FY 2023-24 are given below:



Name of the Director	RR Committee Meetings		Held during the tenure	Total Attended	% of attendance
	1	2			
Mr. Bharat Sheth			2	2	100.00
Mrs. Nirupama Rao <sup>1</sup>			2	2	100.00
Mr. Karan Adani			2	2	100.00
Prof. G. Raghuram <sup>2</sup>	N.A.	N.A.	-	-	-
Attendance (%)	100.00	100.00	-	-	-

<sup>1</sup> Ceased as member w.e.f. April 21, 2024

<sup>2</sup> Appointed as member w.e.f. April 21, 2024

N.A. = Not Applicable

Attended through video conference    Leave of absence    Attended in Person    Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each RR Committee are placed in the next meeting of the Board.

**GOVERNANCE OF SUBSIDIARY COMPANIES**

As per criteria given in Regulation 16 of the SEBI Listing Regulations, basis financial statements for the year ended March 31, 2024, the Company has seven material subsidiaries namely (i) Adani Krishnapatnam Port Limited (ii) The Dhamra Port Company Limited (iii) Adani Harbour Services Limited (iv) Adani Logistics Limited (v) Adani Hazira Port Limited (vi) Adani Gangavaram Port Limited and (v) Haifa Port Company Ltd. As per criteria given in Regulation 24 of the SEBI Listing Regulations, the Company nominated an Independent Director of the Company on the board of Adani Logistics Limited. The subsidiaries of the Company function with an adequately empowered board of directors and sufficient resources.

The minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board on a quarterly basis. The Financial Statements of the subsidiary companies are presented to the Audit Committee. The information in respect of the loans and advances in the nature of loans to subsidiaries pursuant to Regulation 34 of the SEBI Listing Regulations is provided in Notes to the standalone Financial Statements.

The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

## General Body Meetings

### Annual General Meetings:

The details of last three Annual General Meetings (“AGMs”) are as follows:

Financial Year	Location / Mode	Day, date and time (IST)	Special resolution passed	Transcript
2022-23		Tuesday, August 8, 2023 at 11:00 AM	<ul style="list-style-type: none"> <li>Approval for payment of remuneration by way of commission or otherwise to Non-Executive Director(s) including Independent Director(s) of the Company in the event of absence or inadequacy of profits for the subsequent three financial years, i.e. FY 2023-24 to FY 2025-26.</li> </ul>	Transcript available at <a href="#">Link</a>
2021-22		Tuesday, July 26, 2022 at 11:00 AM	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Gautam S. Adani (DIN: 00006273) as a Managing Director of the Company for a period of five years w.e.f. July 1, 2022.</li> <li>Re-appointment of Mr. Karan Adani, CEO (DIN: 03088095) as Whole Time Director of the Company, for a period of five years w.e.f. May 24, 2022.</li> <li>Re-appointment of Mr. Bharat Sheth (DIN: 00022102) as an Independent Director of the Company for a second term of consecutive three years upto October 14, 2025.</li> </ul>	Transcript available at <a href="#">Link</a>
2020-21		Monday, July 12, 2021 at 10:00 AM	<ul style="list-style-type: none"> <li>Enhanced the borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013.</li> </ul>	Transcript available at <a href="#">Link</a>

 Held through video conference

All the resolutions proposed by the Directors to shareholders in last three years are approved by shareholders with requisite majority.

Voting results of the last AGM is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

### Postal Ballot:

#### Whether special resolutions were put through postal ballot last year, details of voting pattern:

Following special resolution was put through postal ballot during (FY 2023-24):

#### a) To approve amendment to the Articles of Association of the Company.

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of shares held	1,36,99,22,067	62,60,02,898	16,42,13,980	216,01,38,945
No. of Votes - in favour	1,36,99,22,067	52,63,44,083	11,18,261	189,73,84,411
% of Votes in favour on votes polled	100.00	97.41	97.27	99.27
No. of Votes - Against	-	1,40,06,043	31,395	1,40,37,438
% of Votes against on votes polled	-	2.59	2.73	0.73

**b) To approve change in designation of Mr. Gautam Adani, Chairman and Managing Director as Executive Chairman of the Company.**

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of shares held	1,42,33,76,085	57,85,25,731	15,82,37,129	2,16,01,38,945
No. of Votes - in favour	1,42,33,46,083	51,88,21,327	2,66,317	1,94,24,33,727
% of Votes in favour on votes polled	100.00	98.40	97.86	99.57
No. of Votes - Against	-	84,11,636	5,826	84,17,462
% of Votes against on votes polled	-	1.60	2.14	0.43

**c) To approve change in designation of Mr. Karan Adani, CEO and Whole Time Director as Managing Director of the Company.**

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of shares held	1,42,33,76,085	57,85,25,731	15,82,37,129	2,16,01,38,945
No. of Votes - in favour	1,42,33,46,083	50,13,82,441	264,432	1,92,49,92,956
% of Votes in favour on votes polled	100.00	95.10	97.27	98.67
No. of Votes - Against	-	2,58,50,522	7,435	2,58,57,957
% of Votes against on votes polled	-	4.90	2.73	1.33

**d) To appoint Mr. Ashwani Gupta, CEO as Whole Time Director of the Company.**

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of shares held	1,42,33,76,085	57,85,25,731	15,82,37,129	2,16,01,38,945
No. of Votes - in favour	1,42,33,46,083	50,03,50,774	2,63,891	1,92,39,60,748
% of Votes in favour on votes polled	100.00	94.90	97.16	98.62
No. of Votes - Against	-	2,68,82,189	7,707	2,68,89,896
% of Votes against on votes polled	-	5.10	2.84	1.38

**e) To appoint Mrs. M. V. Bhanumathi as an Independent Director of the Company.**

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of shares held	1,42,33,76,085	57,85,25,731	15,82,37,129	2,16,01,38,945
No. of Votes - in favour	1,42,33,46,083	52,72,15,213	2,63,054	1,95,08,24,350
% of Votes in favour on votes polled	100.00	99.99	96.79	99.99
No. of Votes - Against	-	17,750	8,728	26,478
% of Votes against on votes polled	-	0.00	3.21	0.00

**Scrutinizer for postal ballot:**

The Board had appointed Mr. Chirag Shah, Practicing Company Secretary (Membership Number FCS: 5545 COP: 3498) as the Scrutinizer for conducting the postal ballot (e-voting process) in a fair and transparent manner.

### Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing of a resolution through postal ballot.

### Procedure for postal ballot:

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time shall be complied with, whenever necessary.

## Codes, Policies and Frameworks

### Code of Conduct:

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company [www.adaniports.com](http://www.adaniports.com). All Board Members and Senior Management Personnel have affirmed compliance of the Code. A declaration signed by the Chief Executive Officer of the Company to this effect is attached to this report.

The Board has also adopted a separate code of conduct with respect to duties of Independent Directors as per the provisions of the Act.

### Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical or improper activities and financial irregularities. No person has been denied access to the Chairman of the Audit Committee. The Audit Committee monitors and reviews the investigations of the whistle blower complaints. The said policy is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

**O**

Whistler Blower

During the year under review, no cases of whistle blower were reported.

### Anti-Corruption, Anti-Bribery & Conflict of Interest Policy

It is Company's endeavor to conduct its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships,

wherever it operates. The Company's designated personnel are strongly prohibited from engaging in any form of unethical activity. This includes a prohibition against direct bribery and indirect bribery, including payments that can be routed through third parties. If any employee, partner vendor, supplier, stakeholder suspects or becomes aware of any potential bribery involving the employee, it is incumbent upon the person to report it to the Vigilance and Ethics Officer.

A copy of the said Policy, is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

### Code on prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has formulated the Code of Conduct for Prevention of Insider Trading ("Code") to regulate and monitor trading by Designated Persons ("DPs") and their immediate relatives.

The Code, inter alia, lays down the procedures to be followed by DPs while trading/ dealing in Company shares/ derivatives and while sharing Unpublished Price Sensitive Information (UPSI). The Code includes the obligations and responsibilities of DPs, obligation to maintain the structured digital database, mechanism for prevention of insider trading and handling of UPSI, process to familiarize with the sensitivity of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall be carried out etc.

A report on insider trading, covering trading by DPs and various initiatives/ actions taken by the Company under the PIT Regulations is also placed before the Audit Committee on quarterly basis.

The Company periodically circulates informative e-mails along with the FAQs on Insider Trading Code, Do's and Don'ts etc. to the employees (including new employees) to familiarize them with the provisions of the Code. The Company also conducts frequent workshops/ training sessions to educate and sensitize the employees/ designated persons.

### Policy on Related Party Transactions

The Company has adopted the Policy on Related Party Transactions ("RPTs") in line with the requirements of the Act and SEBI Listing Regulations, as amended from time to time, which is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

The Policy intends to ensure that proper reporting, approval, disclosure processes are in place for all transactions between the Company and related parties.

This Policy specifically deals with the review and approval of Material RPTs, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All RPTs by the Company and RPTs by the subsidiary companies, exceeding its respective standalone turnover, were placed before the Audit Committee for review and prior approval. Prior omnibus approval is obtained for RPTs on a yearly basis, for the transactions which are of repetitive nature and/ or entered in the ordinary course of business and are at arm's length. All RPTs entered during the year were in ordinary course of business and on arm's length basis.

The Company had also obtained the prior approval of shareholders for the material RPTs entered into during the FY 2023-24.

#### **Risk Management Framework**

The Company has established an Enterprise Risk Management ("ERM") framework to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks. In line with the Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organised approach to evaluate and manage risks. Risk assessment monitoring is included in the Company's annual Internal Audit programme and reviewed by the Audit Committee / Risk Management Committee at regular intervals. In compliance with Regulation 17 and 21 of the SEBI Listing Regulations, the Board has formulated a Risk Management Policy for framing, implementing and monitoring the risk management plan for the Company.

The Board is periodically updated on the key risks, steps and processes initiated for reducing and, if feasible, eliminating various risks. Business risk evaluation and management is an ongoing process within the Company.

A detailed update on risk management framework has been covered under the risk section, forming a part of the Integrated Annual Report.

#### **Policy on Material Subsidiary**

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the SEBI Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The Policy on Material Subsidiary is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

## **Means of Communication**

#### **Website:**

The Company has dedicated "Investors" section on its website viz. [www.adaniports.com](http://www.adaniports.com), wherein any person can access the corporate policies, Board committee charters, Annual Reports, financial results, investor presentation and shareholding details etc.

#### **Announcement of material information:**

All the material information, requisite announcements and periodical filings are being submitted by the Company electronically through web portals of NSE and BSE, where the equity shares of the Company are listed.

#### **Media Releases:**

All official media releases are submitted to NSE and BSE and also being uploaded on the website of the Company.

#### **Quarterly financial results:**

The financial results were published in prominent daily newspapers viz. Indian Express (English daily) and Financial Express (Gujarati daily – vernacular) and were also uploaded on the website of the Company.

#### **Earning Calls & presentations to Institutional Investors/ Analysts**

The Company organizes an earnings call with analysts and investors on the same day / next day of announcement of results. The audio recordings and transcript of these earning calls are posted on the Company's website. Presentations made to institutional investors and financial analysts on the financial results are submitted to the stock exchanges and also uploaded on the Company's website.

The Company has maintained consistent communication with investors at various forums.

## **Integrated Annual Report and AGM**

Integrated Annual Report containing audited standalone and consolidated financial statements together with Report of Board of Directors, Management Discussion and Analysis Report, Corporate Governance Report, Auditor's Report and other important information are circulated to the Members. In the AGM, the Shareholders also interact with the Board and the Management.

## **Registrar and Share Transfer Agent:**

Link Intime India Private Limited are acting as Registrar and Share Transfer Agent of the Company. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitates better and faster services to the investors.

**The registered office address is given below:**

Address: C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 400 083  
 Tel: +91-22-4918 6270 | Fax: +91-22-4918 6060  
 E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
 Website: [www.linkintime.co.in](http://www.linkintime.co.in)

The Shareholders are requested to correspond directly with the R&T Agent for transfer/transmission of shares, change of address, queries pertaining to their shares, dividend etc.

**Name, Designation and Address of the Compliance Officer:****Mr. Kamlesh Bhagia,**

Company Secretary and Compliance Officer  
 "Adani Corporate House", Shantigram,  
 Near Vaishno Devi Circle, S. G. Highway,  
 Khodiyar, Ahmedabad – 382 421  
 E-mail ID: [investor.apsezi@adani.com](mailto:investor.apsezi@adani.com)

**Green Initiative**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Integrated Annual Report to Shareholders at their e-mail address previously registered with the depositories or the Company's Registrar and Share Transfer Agent.

In line with the SEBI Listing Regulations, the Company has emailed soft copies of its Integrated Annual Report to all those Shareholders who have registered their email address for the said purpose. With reference to Ministry of Corporate Affairs issued Circular No. 09/2023 dated September 25, 2023 read with Circular No. 14/2020 dated April 8, 2020 and Circular No. 17/2020 dated April 13, 2020, read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities Exchange Board of India, Companies have been dispensed with the printing and dispatch of Annual Reports to Shareholders. Hence, the Annual Report of the Company for the financial year ended March 31, 2024, would be sent through email to the Shareholders.

We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the RTA/Company, to receive soft copies of the Annual Report and other information

disseminated by the Company. Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA/Company, by sending KYC updation forms duly signed by the shareholder(s) with required details.

Please note that all documents relating to the Annual General Meeting shall be available on the Company's website.

**General Shareholders Information****25<sup>th</sup> Annual General Meeting:**

Date & Time
Monday, June 24, 2024 at 12:00 Noon (IST)
Mode
Video Conferencing/Other Audio Visual Means
Instructions for attending AGM/Remote e-voting:
Refer Notice of AGM
E-voting details
Starts: Thursday, June 20, 2024 at 9:00 AM (IST) Ends: Sunday, June 23, 2024 at 5:00 PM (IST)
E-voting at AGM
E-voting facility shall also remain open during the AGM and 15 minutes after AGM

**Dividend Distribution Policy:**

The Dividend Distribution Policy of the Company is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

**Dividend Payment:**

The Board has considered and recommended a dividend of ₹ 6/- per equity share of face value of ₹ 2/- each for the Financial Year 2023-24, subject to approval of the members at the ensuing AGM.

**Record Date** Friday, June 14, 2024

**Payment Date** On or after June 30, 2024

### Dividend History past 10 years

Financial year	Type	Dividend (% of face value)	Dividend amount per share (In ₹)
2013-14	Final	50	1.00
2014-15	Final	55	1.10
2015-16	Interim	55	1.10
2016-17	Final	65	1.30
2017-18	Final	100	2.00
2018-19	Final	10	0.20
2019-20	Interim	160	3.20
2020-21	Final	250	5.00
2021-22	Final	250	5.00
2022-23	Final	250	5.00

### Company Registration Details:

The Company is registered in the State of Gujarat, India and having registered office at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S G Highway, Khodiyar, Ahmedabad – 382 421, Gujarat. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L63090GJ1998PLC034182.

### Financial Calendar for FY 2024-25:

The Company's financial year starts on April 1 and ends on March 31 every year. The calendar for approval of quarterly financial results are as under:



### Listing on Stock Exchanges:

#### Equity Shares

The Equity Shares of the Company are listed with the following stock exchanges:

Name and Address of Stock Exchange	ISIN	Code
<b>BSE Limited (BSE)</b> Floor 25, P. J Towers, Dalal Street, Mumbai – 400 001	INE742F01042	532921
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051		ADANIPTS

The annual listing fee for the Financial Year 2024-25 has been paid to both, NSE and BSE.

#### Listing of Debt Securities:

As on March 31, 2024, Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures issued on private placement basis by the Company are listed on Wholesale Debt Market Segment of BSE Limited.

**Details of Debenture Trustees (for privately placed Debentures):****IDBI Trusteeship Services Ltd.**

Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001

Phone No. +91-22-4080 7000 | Fax: +91-22-6631 1776 | E-mail ID: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com) | Website: [www.idbitrustee.com](http://www.idbitrustee.com)

**Outstanding GDRs/ ADRs/ Warrants or any convertible instruments conversion date and likely impact on equity:**

There were no outstanding GDRs/ ADRs/ Warrants or any convertible instruments as at March 31, 2024.

**Details of listing of Debt Securities are as under:**

Name and Address of Stock Exchange	ISIN	Code	Name and address of Debenture Trustee(s)
BSE Limited Floor 25, P. J Towers, Dalal Street, Mumbai – 400 001	INE742F07429	955845	IDBI Trusteeship Services Ltd. Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001
	INE742F07460	959432	
	INE742F07353	954113	
	INE742F07361	954375	
	INE742F07510	973548	
	INE742F07437	957109	
	INE742F07411	955311	
	INE742F07528	975313	
	INE742F07536	975314	

**Depositories:**

Name of Depositories	Address of Depositories
National Securities Depository Limited (NSDL)	Trade World, 4 <sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.
Central Depository Services (India) Limited (CDSL)	25 <sup>th</sup> Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai- 4000013

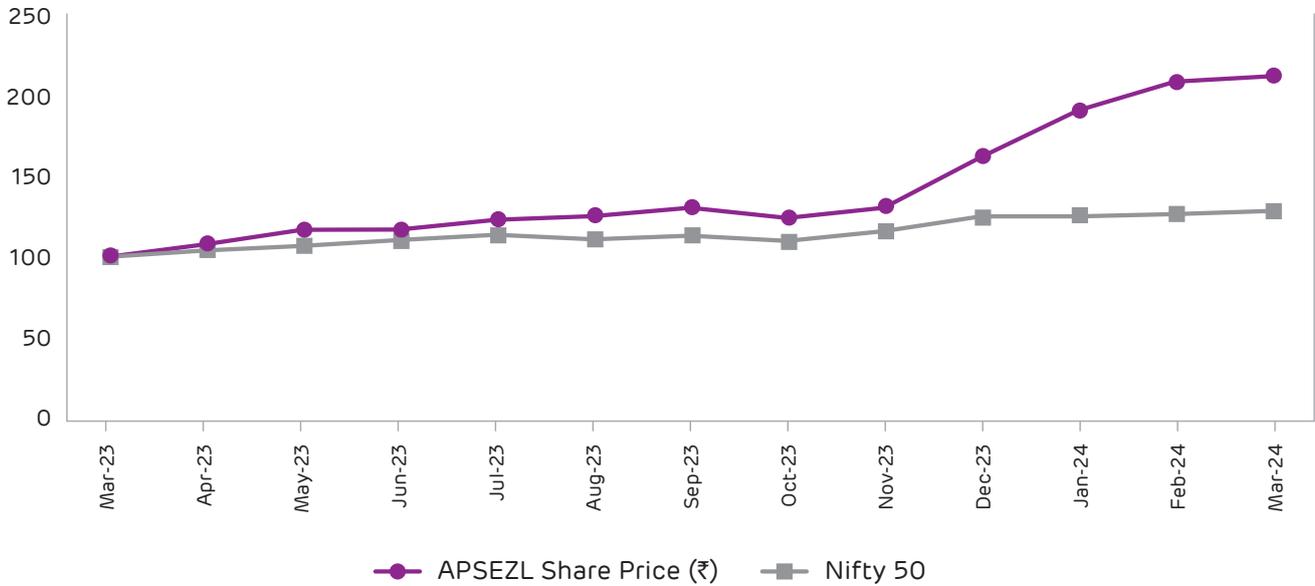
The annual custody / issuer fees for the Financial Year 2024-25 have been paid to both, NSDL and CDSL.

**Market Price Data:**

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2023	683.00	622.15	58,24,233	683.00	622.15	7,16,96,086
May, 2023	785.95	657.00	1,22,60,901	785.65	656.75	17,53,02,405
June, 2023	760.00	702.85	62,21,532	759.90	703.00	13,49,02,058
July, 2023	780.00	708.00	54,07,621	780.00	708.00	60,56,13,333
August, 2023	869.55	751.50	1,02,37,396	869.00	751.55	18,75,67,549
September, 2023	889.00	779.30	50,95,607	889.50	779.65	13,75,77,432
October, 2023	845.65	754.50	35,20,669	845.45	754.50	6,39,20,642
November, 2023	854.00	767.55	45,46,749	854.40	767.20	8,36,06,828
December, 2023	1101.90	825.25	1,46,13,302	1102.40	825.50	21,20,22,930
January, 2024	1229.90	1022.65	99,72,126	1229.90	1023.00	17,12,03,868
February, 2024	1343.00	1200.70	47,98,259	1343.00	1200.30	7,74,49,571
March, 2024	1358.85	1188.60	27,62,580	1358.70	1188.10	6,62,32,774
<b>Total</b>	-	-	<b>8,52,60,975</b>	-	-	<b>198,70,95,476</b>
Volume traded / outstanding shares (in %)	<b>3.95%</b>			<b>91.99%</b>		

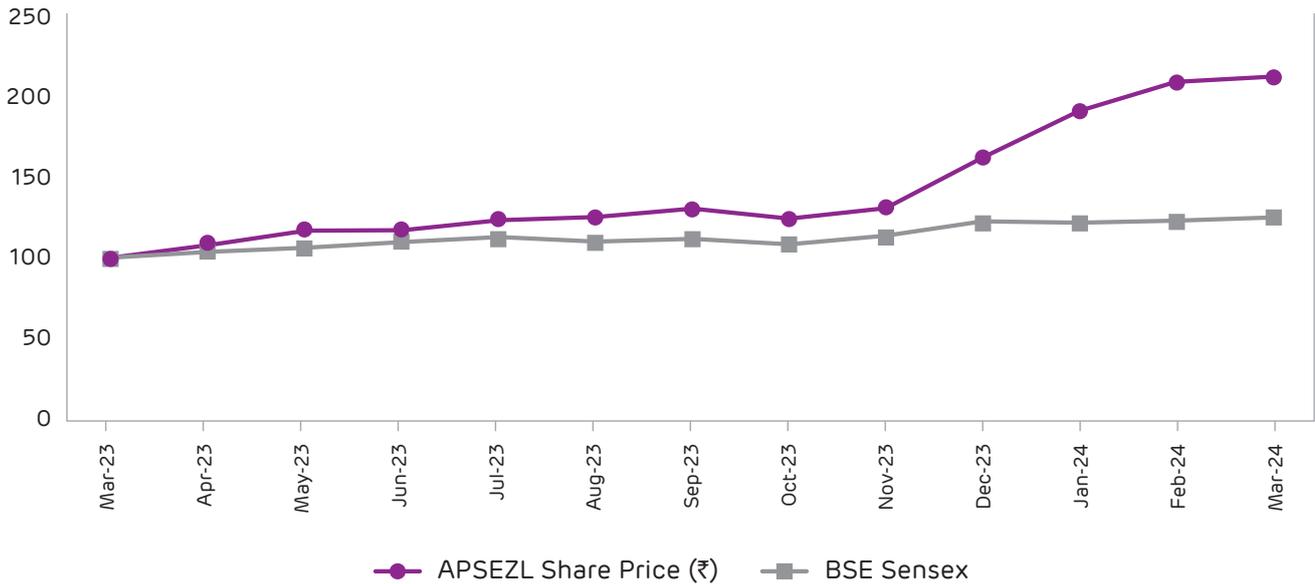
The Company's equity shares are frequently traded on the BSE Limited and National Stock Exchange of India Limited.

**Performance in comparison to broad-based indices such as BSE Sensex:  
APSEZ share prices and NSE Nifty- 50 (based on monthly closing price)**



Note: APSEZL share price and NSE Nifty - 50 values on April 01, 2023 have been baselined to 100.

**APSEZ Share price and BSE Sensex Movement (based on monthly closing price)**



Note: APSEZL share price and BSE Sensex values on April 01, 2023 have been baselined to 100.

### Market Capitalisation:

The Market Capitalisation of the Company based on year-end closing prices quoted in the BSE for last 10 years is given below:



### Transfer of unpaid / unclaimed amounts and shares to Investor Education and Protection Fund (IEPF):

In terms of the Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividend amount that remains unclaimed for a period of seven years or more is required to be transferred to the IEPF administered by the Central Government, along with the corresponding shares to the demat account of IEPF Authority.

As required in terms of the Secretarial Standard on Dividend (SS-3), details of unpaid dividend account and due dates of transfer to the IEPF is given below:

Sr No	Financial Year	Declaration Date	Due date of transfer to IEPF
1	2016-17	August 9, 2017	October 14, 2024
2	2017-18	August 6, 2018	October 5, 2025
3	2018-19	August 6, 2019	October 11, 2026
4	2019-20	March 5, 2020	May 2, 2027
5	2020-21	July 12, 2021	September 13, 2028
6	2021-22	July 26, 2022	September 27, 2029
7	2022-23	August 8, 2023	October 10, 2030

The shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the IEPF Rules. Shareholders may refer Rule 7 of the said IEPF Rules for refund of shares / dividend etc.

Further, in accordance with the IEPF Rules, the Board have appointed Mr. Kamlesh Bhagia as Nodal Officer of the Company for the purposes of verification of claims

of shareholders pertaining to shares transferred to IEPF and / or refund of dividend from IEPF Authority and for coordination with IEPF Authority. The details of the Nodal Officer is available on the website of the Company.

### Share Transfer System Dematerialisation of Shares and Liquidity thereof:

The Board has delegated the authority for approving transfer, transmission etc. to the Stakeholders' Relationship Committee.

Approximately the entire equity shares capital of the Company is held in dematerialised form. The Company's shares are compulsorily traded in dematerialised form and are available for trading with both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The shareholders can hold the Company's shares with any depository participant registered with the depositories.

	Number of shares	Number of shareholders	
March 31, 2024	2,15,99,03,028 (99.99%)	10,10,434 (100%)	Demat
	2,35,917 (0.01%)	36 (Negligible)	In physical form
March 31, 2023	2,15,98,64,317 (99.99%)	11,20,254 (100%)	Demat
	2,74,628 (0.01%)	52 (Negligible)	In physical form

## ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

Integrated Annual Report 2023-24

The demat security (ISIN) code for the equity share is **INE742F01042**.

In terms of the amended Regulation 40(1) of SEBI Listing Regulations, with effect from April 1, 2019, securities of listed companies can be transferred only in dematerialised form (except transmission of securities or transposition in the name(s) of holding). Accordingly, the shares held in physical form will not be transferred unless they are converted into dematerialised form. Transfers of equity shares in electronic form are effected through the depository system with no involvement of the Company.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, the Company obtain certificates from a practicing Company Secretary (i) on a yearly basis to the effect that all the transfers are completed within the

statutory stipulated period and (ii) on a quarterly basis regarding reconciliation of the share capital audit of the Company confirming that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. A copy of these certificates so received are submitted to both the Stock Exchanges viz. NSE and BSE.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

There was no instance of suspension of trading in Company's shares during FY 2023-24.

### Shareholding as on March 31, 2024:

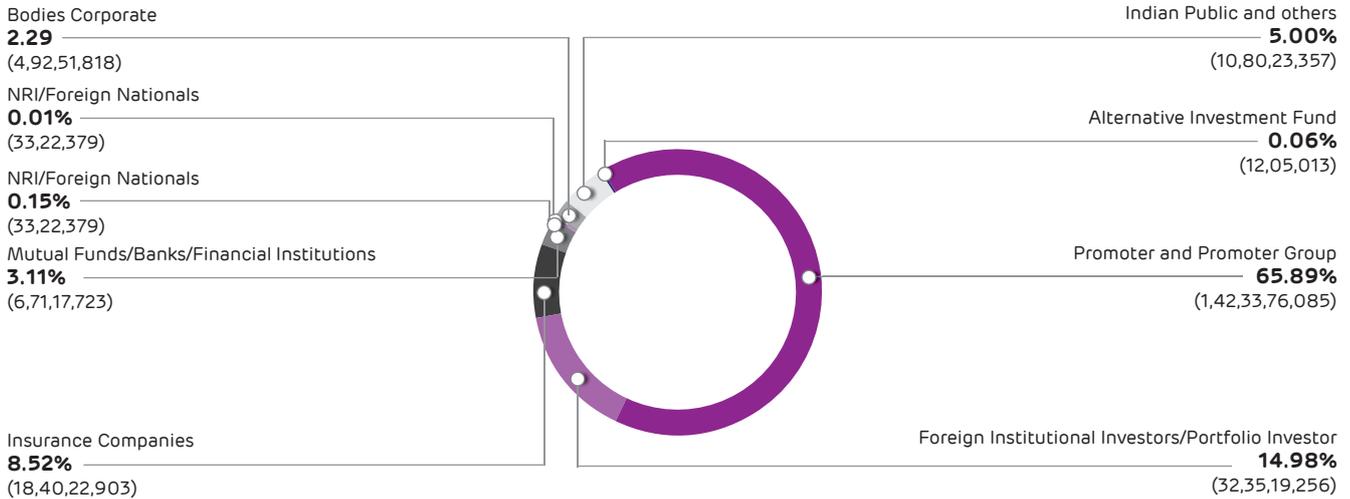
#### Distribution of Shareholding as on March 31, 2024:

No. of shares	2024				2023			
	Equity Shares in each category		Number of shareholders		Equity Shares in each category		Number of shareholders	
	Total Shares	% of total	Holders	% of total	Total Shares	% of total	Holders	% of total
1-500	4,19,86,063	1.94	9,90,471	98.02	4,97,42,645	2.30	10,95,483	97.79
501-1000	79,88,137	0.37	10,601	1.05	1,01,80,798	0.48	13,534	1.20
1001-2000	65,90,371	0.31	4,559	0.45	85,06,747	0.40	5,850	0.52
2001-3000	36,14,761	0.17	1,431	0.14	44,85,260	0.20	1,776	0.15
3001-4000	22,85,861	0.11	643	0.06	27,75,328	0.12	783	0.08
4001-5000	23,06,852	0.11	495	0.05	27,67,745	0.13	593	0.06
5001-10000	65,71,080	0.30	911	0.09	69,40,633	0.33	978	0.08
10001 & above	2,08,87,95,820	96.70	1,359	0.13	2,07,47,39,789	96.04	1,309	0.12
<b>Total</b>	<b>2,16,01,38,945</b>	<b>100.00</b>	<b>10,10,470</b>	<b>100.00</b>	<b>2,16,01,38,945</b>	<b>100.00</b>	<b>11,20,306</b>	<b>100.00</b>

#### Category-wise shareholding Pattern as on March 31, 2024:

Category	Total No. of Shares	% of holding
Promoter and Promoter Group	1,42,33,76,085	65.89
Foreign Institutional Investors / Portfolio Investor	32,35,19,256	14.97
Insurance Companies	18,40,22,903	8.52
Mutual Funds/Banks/Financial Institutions	6,71,17,723	3.11
NRI/Foreign Nationals	33,22,379	0.15
IEPF/Clearing Member	3,00,411	0.01
Bodies Corporate	4,92,51,818	2.29
Indian Public and others	10,80,23,357	5.00
Alternative Investment Fund	12,05,013	0.06
<b>Total</b>	<b>2,16,01,38,945</b>	<b>100.00</b>

### Category-wise shareholding as on March 31, 2024



### Commodity Price Risk/Foreign Exchange Risk and Hedging:

The Company's payables and receivables are partly in foreign currencies and due to fluctuations in foreign exchange rates, it is subject to currency risks. The Company has in place a robust risk management framework for identification and monitoring and mitigation of foreign exchange risks. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework. For further details on the above risks, please refer the Enterprise Risk Management section of the Management Discussion and Analysis Report.

### Site Location:

Name of Sites	Address of the Sites
Mundra Port	"Adani House", Navinal Island, Mundra, Dist. Kutch, Gujarat.
Dahej Port	Adani Petronet (Dahej) Port Ltd. At & Po Lakhigam, Taluka Vagra, Bharuch, Gujarat.
Hazira Port	Adani Hazira Port Ltd. At & PO Hazira, Taluka Choryasi, Dist. Surat, Gujarat.
Dhamra Port	The Dhamra Port Company Ltd. AT/PO-Dosinga, Dist. Bhadrak, Odisha, Bhubaneshwar.
Ennore Port	Adani Ennore Container Terminal Pvt. Ltd. C/o. Kamarajar Port, Vallur Post, Ponneri Taluka, Dist. Thiruvalluvar, Tamil Nadu.
Kattupalli Port	Marine Infrastructure Developer Pvt. Ltd. (Kattupalli Port), Kattupalli Village, Ponneri Taluka, Dist. Thiruvalluvar, Tamil Nadu.
Krishnapatnam Port	Adani Krishnapatnam Port Ltd. PO Bag No 1, Muthukur Mandal, Dist. SPSR Nellore, Andhra Pradesh
Murmugao Terminal	Adani Murmugao Port Terminal Pvt. Ltd. Sub Station Building, Near Gate No. 2 of Mormugao Port Trust, Mormugao, Goa
Tuna Terminal	Adani Kandla Bulk Terminal Pvt. Ltd. Tuna KPT Custom Building, Village Tuna, Dist. Kutch, Gujarat
Vizhinjam Port	Adani Vizhinjam Port Pvt. Ltd. Mulloor PO, Vizhinjam, Thiruvananthapuram, Kerala
Gangavaram Port	Adani Gangavaram Port Ltd. Pedagantyada Mandal, Post Gangavaram, Visakhapatnam, Andhra Pradesh
Dighi Port	Dighi Port Ltd. At & Po Dighi, Taluka- Shrivardhan District: Raigad – Maharashtra.
Karaikal Port	Karaikal Port Pvt. Ltd. Keezha Vanjore, T R Pattinam, Karaikal.
Haifa Port	Haifa Port Company Ltd. Haifa, Port Street, Israel.

**Credit Rating:****International Rating**

Rating Agency	Type of Instrument / facility	Rating / Outlook
Standard & Poor's	Long-term Foreign Currency Issuer Credit Rating	BBB -/ Stable
Moody's	Long-term Foreign Currency Issuer Rating	Baa3 / Stable
Fitch	Long-term Foreign Currency Issuer Default Rating	BBB - / Stable

**Domestic Rating**

Rating Agency	Type of Instrument / facility	Rating / Outlook
ICRA	Long Term Facility and Short Term Facility	AA+ /Stable and A1+
India Ratings	Long Term Facility and Short Term Facility	AA+ /Stable and A1+
CARE Ratings	Long Term Facility and Short Term Facility	AAA/Stable and A1+

**Details of Corporate Policies:**

Details of Corporate Policies are provided as a part of Directors' Report, forming integral part of this Integrated Annual Report.

**Dispute Resolution Mechanism at Stock Exchanges (SMART ODR):**

SEBI vide its circular dated May 30, 2022 provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related request.

In compliance with SEBI guidelines, the Company had sent communication intimating about the said Dispute Resolution Mechanism to all the Members holding shares in physical form.

**Compliance with Non-mandatory Requirements:**

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

**The Board:**

The Board periodically reviewed the compliance of all the applicable laws and steps taken by your Company to rectify instances of non-compliance, if any. Your Company is in compliance with all mandatory requirements of SEBI Listing Regulations.

Your Company has an Executive Chairman and hence, the need for implementing the non-mandatory requirement i.e., maintaining a chairperson's office at the Company's expense and allowing reimbursement of expenses incurred in performance of his duties, does not arise.

**Shareholders' Right:**

Your Company ensures that the disclosure of all the information is disseminated on a non-discretionary basis to all the Shareholders. The quarterly results along with the press release, investor presentations, recordings and

transcripts of earnings call are uploaded on the website of the Company [www.adaniports.com](http://www.adaniports.com). The same are also available on the sites of stock exchanges (BSE and NSE) where the shares of your Company are listed.

**Audit Qualification:**

The Statutory and Secretarial Auditors' modified opinion has been appropriately dealt with in Note No. 44 of the Standalone Financial Statements and Note No. 54 of the Consolidated Financial Statements.

**Reporting of Internal Auditor:**

The Internal Auditor of your Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meetings for reporting their findings of the internal audit to the Audit Committee Members.

**Separate posts of Chairperson and Chief Executive Officer:**

Mr. Gautam S. Adani is the Chairman and Mr. Ashwani Gupta is a Whole-Time Director and CEO of the Company. Both these positions have distinct and well-articulated roles and responsibilities. They are not related to each other.

The Company has submitted a quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the SEBI Listing Regulations.

**Independent of Audit Committee:**

All the members of the Committee are Non-Executive Independent Directors.

**Other Disclosures:****Disclosure of Related Party Transactions:**

During the year, all related party transactions entered into by the Company were in the ordinary course of business and were at arm's length basis and were approved by the members of Audit Committee, comprising only of the Independent Directors. The Company had sought the

approval of shareholders at the Extra Ordinary General Meeting held on January 6, 2024 for material related party transactions as per Regulation 23 of SEBI Listing Regulations. The details of Related Party Transactions are disclosed in financial section of this Integrated Annual Report. The Board has adopted a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Board's approved policy for related party transactions is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

### Disclosure of accounting treatment in preparation of Financial Statements

The Company follows the guidelines of Accounting Standards referred to in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 together with Ind AS issued by the Institute of Chartered Accountants of India.

### Fees paid to Statutory Auditors:

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors is a part, is given below:

(₹ in crore)

Payment to Statutory Auditors	FY 2023-24
Audit Fees	5.16
Other Services	0.45
<b>Total</b>	<b>5.61</b>

### Prevention of Sexual Harassment at Workplace:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

### Compliance with Capital Market Regulations during the last three years:

There has been no instance of non-compliance by the Company and no penalty and/ or stricture has been imposed by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### Details of the Company's material subsidiary (as per Regulation 16 of the SEBI Listing Regulations):

Name	Date of Incorporation	Place of Incorporation	Statutory Auditor	Date of Appointment
Adani Krishnapatnam Port Ltd.	March 15, 1996	Hyderabad <sup>1</sup>	M S K A & Associates	August 12, 2023
The Dhamra Port Company Ltd.	September 10, 1998	Bhubaneswar		August 12, 2023
Adani Harbour Service Ltd.	September 2, 2009	Kolkata <sup>1</sup>		August 12, 2023
Adani Hazira Port Ltd.	December 7, 2009	Ahmedabad		August 12, 2023
Adani Logistics Ltd.	July 13, 2005	Ahmedabad		August 12, 2023
Adani Gangavaram Port Ltd.	July 14, 2021	Ahmedabad		August 12, 2023
Haifa Port Company Ltd.	July 21, 2004	Israel	BDO Israel – Ziv Haft	September 21, 2023

<sup>1</sup> Currently registered office is in the State of Gujarat.

### Contributions:

The Company has not made any contributions to / spending for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups.

### ADANI Code of Conduct:

The ADANI Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

A declaration signed by the Chief Financial Officer affirming the compliance with the ADANI Code of Conduct by the Board Members and Senior Management Personnel of the Company is appended as an annexure to this report.

### Conflict of Interest:

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

**Details of Loans and Advances by the Company and its Subsidiaries in the nature of loans to firms/companies in which Directors are interested:**

The aforesaid details are provided in the financial statements of the Company forming part of this Integrated Annual Report. Please refer to Note 38 of the standalone financial statements.

**Proceeds from public issues, rights issues, preferential issues etc.**

The Company discloses to the Audit Committee, the uses/application of proceeds/funds raised from public issues, rights issues, preferential issues etc. as part of the quarterly review of financial results whenever applicable.

During the Financial Year 2023-24, the Company had issued 50,000 Non- Convertible Debentures of face value of ₹ 1,00,000/- each (Rupees One Lakh only) each payable in cash, aggregating up to ₹ 500 crores on private placement basis. The issuance was approved by the Board at its meeting held on December 12, 2023.

**Governance Policies:**

1. The Company has also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which are uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>
2. As a part of good governance practice, the Company has also constituted several policies from ESG perspective and the same are available on Company's website at <https://www.adaniports.com/Investors/Corporate-Governance>
3. The Company has in place an Information Security Policy that ensure proper utilization of IT resources.
4. Details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>
5. The Company has put in place succession plan for appointment to the Board and to Senior Management.

**Statutory Certificates:**

**CEO / CFO Certification**

The certificate required under Regulation 17(8) of the SEBI Listing Regulations, duly signed by the CEO and CFO of your Company was placed before the Board. The same is provided as an annexure to this report.

**Certificate from Secretarial Auditor on Corporate Governance**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate

affirming the compliances from CS Ashwin Shah, Practising Company Secretary, affirming compliance of Corporate Governance requirements during FY 2023-24 and the same is attached to this Report.

**Certificate from Secretarial Auditor pursuant to Schedule V of the SEBI Listing Regulations**

A certificate from CS Ashwin Shah, Practising Company Secretary, pursuant to Schedule V of the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2024, is annexed to this Report.

**Senior Management:**

The details of senior management including changes therein since the close of the previous financial year is as under:

Name	As on March 31, 2023	As on March 31, 2024
Mr. Karan Adani	✓	✓
Mr. Ashwani Gupta	-	✓
Mr. D. Muthukumaran	✓	✓
Mr. Kamlesh Bhagia	✓	✓
Mr. G. J. Rao	✓	✓
Mr. Subrat Tripathy	✓	✓
Capt. Unmesh Abhyankar	✓	✓
Mr. Jai Khurana	✓	✓
Mr. Sushant Kumar Mishra	-	✓
Mr. Divij Taneja	✓	✓
Mr. Shrigopal Rathi	✓	✓
Mr. Rakshit Shah	✓	✓
Mr. Bhopin Vakil	✓	✓
Mr. Pankaj Kumar Bhardwaj	-	✓
Mr. Nirmal Dhaliwal	-	✓
Mr. Sandeep Mehta	✓	-
Mr. Vikram Jaisinghani	✓	-
Mr. Minesh Patel	✓	-
Mr. Rohil Vashist	-	✓

**Directors' details:**

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the 25<sup>th</sup> AGM to be held on June 24, 2024.

**Compliance with Secretarial Standards:**

The Company complies with all applicable secretarial standards.

## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Adani Ports and Special Economic Zone Limited**

I have examined the compliance of conditions of Corporate Governance by Adani Ports and Special Economic Zone Limited ("**the Company**") for the year ended on March 31, 2024 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: May 2, 2024

**CS Ashwin Shah**  
Company Secretary  
C P No. 1640  
Quality Reviewed 2021  
PRC: 1930/2022  
UDIN: F001640F000285605

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
**Adani Ports and Special Economic Zone Limited**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Adani Ports and Special Economic Zone Limited** having CIN L63090GJ1998PLC034182 and having registered office at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S G Highway, Khodiyar, Ahmedabad – 382 421. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Gautam S. Adani	00006273	May 26, 1998
2.	Mr. Rajesh S. Adani	00006322	May 26, 1998
3.	Mr. Karan Adani	03088095	May 24, 2017
4.	Mr. Ashwani Gupta	10455435	January 5, 2024
5.	Prof. G. Raghuram	01099026	May 14, 2012
6.	Mr. Bharat Sheth	00022102	October 15, 2019
7.	Mr. P. S. Jayakumar	01173236	July 23, 2020
8.	Mr. G. K. Pillai	02340756	October 19, 2012
9.	Mrs. Nirupama Rao	06954879	April 22, 2019
10.	Mr. Rajkumar Beniwal	07195658	November 9, 2023
11.	Mrs. M V Bhanumathi	10172983	February 28, 2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**CS Ashwin Shah**

Company Secretary

C P No. 1640

Quality Reviewed 2021

PRC: 1930/2022

UDIN: F001640F000285638

Place: Ahmedabad

Date: May 2, 2024

## Declaration

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Ashwani Gupta, Whole-Time Director and CEO of Adani Ports and Special Economic Zone Limited hereby declare that as of March 31, 2024, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Board of Directors and Senior Management Personnel laid down by the Company.

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

**Ashwani Gupta**

Whole-Time Director & CEO

DIN: 10455435

Place: Ahmedabad

Date: May 2, 2024

## CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2024 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
  - a) There have been no significant changes in internal control system during the year;
  - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

Date : May 2, 2024

Place : Ahmedabad

**Ashwani Gupta**

Whole-Time Director & CEO

DIN: 10455435

**D. Muthukumaran**

Chief Financial Officer

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L63090GJ1998PLC034182
2	Name of the Listed Entity	Adani Ports and Special Economic Zone Limited
3	Year of incorporation	1998
4	Registered office address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat
5	Corporate address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat
6	E-mail	<a href="mailto:investor.apsezl@adani.com">investor.apsezl@adani.com</a>
7	Telephone	+91 79 – 26565555
8	Website	<a href="http://www.adaniports.com">www.adaniports.com</a>
9	Financial year for which reporting is being done	April 01, 2023 to March 31, 2024
10	Name of the Stock Exchange(s) where shares are listed	a) BSE Limited b) National Stock Exchange of India Limited
11	Paid-up Capital	Paid up equity capital - ₹ 432.03 crore Paid up preferential capital - ₹ 2.50 crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Charanjit Singh Head – ESG & IR Email: <a href="mailto:charanjit.singh@adani.com">charanjit.singh@adani.com</a> Phone: 079 – 25557712
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The financial, environmental, social and governance disclosures made in this report are on a consolidated basis. Nearly 100% of APSEZ's Consolidated employee base and over 95% of APSEZ's Consolidated emission footprint.
14	Name of assurance provider	TUV India Pvt Ltd
15	Type of assurance obtained	Reasonable Assurance, as defined by International Standards on Assurance Engagements (ISAE 3000)

### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Transport and storage	Services incidental to land, water & air transportation	100

**17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Cargo handling incidental to water transport	52242	91

**III. Operations****18. Number of locations where plants and/or operations/offices of the entity are situated.**

Location	Number of plants*	Number of offices	Total
National	50	1	51
International	4	1	5

Including the under construction

**19. Markets served by the entity:**

## i. Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	4

## ii. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable, we are not a manufacturing entity. We are a service providing company; in the business of managing cargo at the port and providing end to end logistics services.

## iii. A brief on types of customers:

APSEZL primarily serves B2B customers handling cargos, from dry cargo, liquid cargo, crude to containers. APSEZL provides integrated services in the ports, logistics, port base services and SEZ segment. It has a diverse range of customers, including businesses in the industrial, manufacturing, servicing, and agricultural sectors as well as those in the shipping, container handling, freight forwarding, oil and gas, and agricultural industries. These customers range from local companies to transnational corporations. Additionally, Adani also serves government entities, institutions, and individuals. Its subsidiary, Adani Logistics Limited (ALL), operates inland container depots, ALL is a diversified end-to-end logistics service provider with expertise in handling varied customers across segments like Retail, Industrial, Container, Bulk, Break-Bulk, Liquids, Auto and Grain Handling. Another subsidiary, Adani Agri Logistics Limited (AALL), provides storage infrastructure (silos) build for agricultural produce by Agri-logistics and is certified with Food Safety Management systems (ISO 22000:2018).

**IV. Employees****20. Details as at the end of Financial Year**

## i. Employees and workers (including differently abled):

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>					
Permanent (D)	2,778	2,699	97	79	3
Other than Permanent (E)	141	136	96	5	4
<b>Total Employees (D+E)</b>	<b>2,919</b>	<b>2,835</b>	<b>97</b>	<b>84</b>	<b>3</b>
<b>WORKERS</b>					
Permanent (F)	351	350	100	1	0.3
Other than Permanent (G)	43	43	100	0	0
<b>Total Workers (F+G)</b>	<b>394</b>	<b>393</b>	<b>100</b>	<b>1</b>	<b>0.3</b>

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ii. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	5	5	100	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D + E)	5	5	100	0	0
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	0	0	0	0	0
5	Other than permanent (G)	0	0	0	0	0
6	Total differently abled workers (F + G)	0	0	0	0	0

**21. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	2	18
Key Management Personnel	5	0	0

**22. Turnover rate for permanent employees and workers - (Disclose trends for the past 3 years)**

	FY 2023-2024			FY 2022-2023			FY 2021-2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15%	23%	16%	13%	0%	13%	12%	0%	12%
Permanent Workers	4%	100%	4%	5%	0%	5%	4%	0%	4%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

23. i. Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Adani Ports and Special Economic Zone Ltd.	Parent	100	Yes
2	Adani Petronet (Dahej) Port Ltd.	Subsidiary	74%	Yes
3	Adani Harbour Services Ltd. ("TAHSL")	Subsidiary	100%	Yes
4	Ocean Sparkle Ltd. ("OSL")	Subsidiary	98.52% (74.21% by TAHSL + 24.31% by Savi Jana)	Yes
5	Savi Jana Sea Foods Pvt. Ltd. ("Savi Jana")	Subsidiary	100% (TAHSL)	Yes
6	Sea Sparkle Harbour Service Ltd.	Subsidiary	100% (OSL)	Yes
7	Sparkle Port Service Ltd.	Subsidiary	100% (OSL)	Yes
8	Sparkle Terminal & Towage Service Ltd.	Subsidiary	100% (OSL)	Yes
9	Adani Hazira Port Ltd. ("AHPL")	Subsidiary	100%	Yes
10	Hazira Infrastructure Ltd.	Subsidiary	100% (AHPL)	Yes

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
11	Adani Murmugao Port Terminal Pvt. Ltd.	Subsidiary	100%	Yes
12	Adani Ennore Container Terminal Pvt. Ltd.	Subsidiary	100%	Yes
13	Adani Vizag Coal Terminal Pvt. Ltd.	Subsidiary	100%	Yes
14	Adani Kandla Bulk Terminal Pvt. Ltd.	Subsidiary	100%	Yes
15	Adani Vizhinjam Port Pvt. Ltd.	Subsidiary	100%	Yes
16	Shanti Sagar International Dredging Ltd. ("SSIDL")	Subsidiary	100%	Yes
17	Poseidon Leasing IFSC Limited	Subsidiary	100% (SSIDL)	Yes
18	The Dhamra Port Company Ltd. ("DPCL")	Subsidiary	100%	Yes
19	Dhamra Infrastructure Ltd.	Subsidiary	100% (DPCL)	Yes
20	Karnavati Aviation Pvt. Ltd.	Subsidiary	100%	Yes
21	Karaikal Port Pvt. Ltd.	Subsidiary	100%	Yes
22	Marine Infrastructure Developer Pvt Ltd.	Subsidiary	97%	Yes
23	Adani Kattupalli Port Ltd.	Subsidiary	100%	Yes
24	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	Subsidiary	55.28%	Yes
25	Mundra International Airport Ltd.	Subsidiary	100%	Yes
26	Adani Warehousing Services Ltd.	Subsidiary	100%	Yes
27	Adani Hospitals Mundra Ltd.	Subsidiary	100%	Yes
28	Madurai Infrastructure Ltd.	Subsidiary	100%	Yes
29	HDC Bulk Terminal Ltd.	Subsidiary	100%	Yes
30	Adani Aviation Fuels Ltd.	Subsidiary	100%	Yes
31	Adani Ports Technologies Pvt. Ltd. ("APTPL")	Subsidiary	100%	Yes
32	Tajpur Sagar Port Ltd.	Subsidiary	100%	Yes
33	Mundra Crude Oil Terminal Ltd.	Subsidiary	100%	Yes
34	Adani Tracks Management Services Ltd. (Formerly, Sarguja Rail Corridor Pvt. Ltd.)	Subsidiary	100%	Yes
35	Adani Container Terminal Ltd. (Formerly, Adani Pipelines Pvt. Ltd.)	Subsidiary	100%	Yes
36	Adani Gangavaram Port Ltd.	Subsidiary	100%	Yes
37	Adani Container Manufacturing Ltd. (Formerly, Adani Cargo Logistics Ltd.)	Subsidiary	100%	Yes
38	Adani Bulk Terminals (Mundra) Ltd. (Formerly, Adani Agri Logistics (Bathinda) Ltd.)	Subsidiary	100%	Yes
39	Dighi Port Ltd. ("DPL")	Subsidiary	100%	Yes
40	Aqua Desilting Pvt. Ltd.	Subsidiary	100%	Yes
41	Adinath Polyfills Pvt. Ltd.	Subsidiary	100%	Yes
42	Gangavaram Port Services (India) Ltd.	Subsidiary	100%	Yes
43	Adani Krishnapatnam Port Ltd. ("AKPL")	Subsidiary	100%	Yes
44	Seabird Distriparks (Krishnapatnam) Ltd.	Subsidiary	100% (AKPL)	Yes
45	Udanvat Leasing IFSC Ltd.	Subsidiary	100%	Yes
46	Adani Logistics Ltd. ("ALL")	Subsidiary	100%	Yes
47	Dholera Infrastructure Pvt. Ltd. (DIPL)	Subsidiary	49%	No

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S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
48	Mundra LPG Terminal Pvt. Ltd.	Subsidiary	48.97%	No
49	Dholera Port and Special Economic Zone Ltd.	Subsidiary	100% (DIPL)	Yes
50	Mundra Solar Technopark Pvt. Ltd.	Subsidiary	38.95% of ALL	No
51	Adani Agri Logistics Ltd. ("AALL")	Subsidiary	100% (ALL)	Yes
52	Adani Agri Logistics (Samastipur) Ltd.	Subsidiary	100% (ALL)	Yes
53	Adani Agri Logistics (Darbhanga) Ltd.	Subsidiary	100% (ALL)	Yes
54	Blue Star Realtors Ltd. ("BSRL")	Subsidiary	100% (ALL)	Yes
55	Nabhganga Enterprises Pvt. Ltd.	Subsidiary	100% (BSRL)	Yes
56	Griptronics Enterprises Pvt. Ltd.	Subsidiary	100% (BSRL)	Yes
57	Adrita Realtors Pvt. Ltd.	Subsidiary	100% (BSRL)	Yes
58	Agratas Projects Pvt. Ltd.	Subsidiary	100% (BSRL)	Yes
59	Dependencia Infrastructure Pvt. Ltd.	Subsidiary	100% (BSRL)	Yes
60	Adani Agri Logistics (Dahod) Ltd.	Subsidiary	100% (BSRL)	Yes
61	Adani Warehousing Ltd. (Formerly, Adani Agri Logistics (Borivali) Ltd.)	Subsidiary	100% (BSRL)	Yes
62	Dermot Infracon Ltd.	Subsidiary	100% (ALL)	Yes
63	Shankheshwar Buildwell Ltd.	Subsidiary	100% (ALL)	Yes
64	Sulochana Pedestal Ltd. ("SPPL")	Subsidiary	100% (ALL)	Yes
65	NRC Ltd.	Subsidiary	100% (SPPL)	Yes
66	Adani Forwarding Agent Ltd. ("AFAPL")	Subsidiary	100% (ALL)	Yes
67	Mandhata Build Estate Pvt. Ltd.	Subsidiary	100% (AFAPL)	Yes
68	AYN Logistics Infra Pvt. Ltd.	Subsidiary	100% (ALL)	Yes
69	Adani Logistics Services Ltd. ("ALSPL")	Subsidiary	98.39% (ALL)	Yes
70	Adani Noble Ltd.	Subsidiary	100% (ALSPL)	Yes
71	Adani Logistics Infrastructure Ltd.	Subsidiary	100% (ALSPL)	Yes
72	Saptati Build Estate Ltd.	Subsidiary	100% (AALL)	Yes
73	Adani Agri Logistics (MP) Ltd.	Subsidiary	100% (AALL)	Yes
74	Adani Agri Logistics (Harda) Ltd.	Subsidiary	100% (AALL)	Yes
75	Adani Agri Logistics (Hoshangabad) Ltd.	Subsidiary	100% (AALL)	Yes
76	Adani Agri Logistics (Satna) Ltd.	Subsidiary	100% (AALL)	Yes
77	Adani Agri Logistics (Ujjain) Ltd.	Subsidiary	100% (AALL)	Yes
78	Adani Agri Logistics (Dewas) Ltd.	Subsidiary	100% (AALL)	Yes
79	Adani Agri Logistics (Panipat) Ltd.	Subsidiary	100% (AALL)	Yes
80	Adani Agri Logistics (Katihar) Ltd.	Subsidiary	100% (AALL)	Yes
81	Adani Agri Logistics (Kotkapura) Ltd.	Subsidiary	100% (AALL)	Yes
82	Adani Agri Logistics (Kannauj) Ltd.	Subsidiary	100% (AALL)	Yes
83	Adani Agri Logistics (Barnala) Ltd.	Subsidiary	100% (AALL)	Yes
84	Adani Agri Logistics (Moga) Ltd.	Subsidiary	100% (AALL)	Yes
85	Adani Agri Logistics (Mansa) Ltd.	Subsidiary	100% (AALL)	Yes
86	Adani Agri Logistics (Nakodar) Ltd.	Subsidiary	100% (AALL)	Yes
87	Adani Agri Logistics (Raman) Ltd.	Subsidiary	100% (AALL)	Yes
88	Adani Agri Logistics (Dhamora) Ltd.	Subsidiary	100% (AALL)	Yes

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
89	Adani Agri Logistics (Sandila) Ltd.	Subsidiary	100% (AALL)	Yes
90	Adani Agri Logistics (Gonda) Ltd.	Subsidiary	100% (AALL)	Yes
91	Adani Agri Logistics (Chandari) Ltd.	Subsidiary	100% (AALL)	Yes
92	Adani Agri Logistics (Katihar Two) Ltd.	Subsidiary	100% (AALL)	Yes
93	PU Agri Logistics Ltd.	Subsidiary	100% (AALL)	Yes
94	BU Agri Logistics Ltd.	Subsidiary	100% (AALL)	Yes
95	HM Agri Logistics Ltd.	Subsidiary	100% (AALL)	Yes
96	Abbot Point Operations Pty Ltd., Australia ("APOPL")	Subsidiary	100%	Yes
97	Abbot Point Bulkcoal Pty Ltd., Australia	Subsidiary	100% (APOPL)	Yes
98	Anchor Port Holding Pte Ltd. (Formerly, Adani Mundra Port Holding Pte. Ltd.), Singapore ("APHPL")	Subsidiary	100%	Yes
99	Noble Port Pte Ltd., Singapore (Formerly, Adani Abbot Port Pte Ltd., Singapore)	Subsidiary	100% (APHPL)	Yes
100	Pearl Port Pte Ltd., Singapore (Formerly, Adani Mundra Port Pte Ltd., Singapore)	Subsidiary	100% (APHPL)	Yes
101	Adani Bangladesh Ports Private Limited, Bangladesh	Subsidiary	100%	Yes
102	Adani International Ports Holdings Pte Ltd, Singapore ("AIPH")	Subsidiary	100%	Yes
103	Colombo West International Terminal (Private) Ltd., Srilanka	Subsidiary	51% (AIPH)	Yes
104	Sparkle Overseas Pte Ltd. ("SOPL")	Subsidiary	100% (OSL)	Yes
105	The Adani Harbour International DMCC, UAE ("TAHID")	Subsidiary	100% (TAHSL)	Yes
106	Port Harbour Services International Pte. Ltd, Singapore	Subsidiary	100% (TAHSL)	Yes
107	East Africa Gateway Limited	Subsidiary	30% (AIPH)	No
108	Adani International Container Terminal Pvt. Ltd.	Joint Venture	50% (APSEZL)	Yes
109	Adani CMA Mundra Terminal Pvt. Ltd.	Joint Venture	50% (APSEZL)	Yes
110	Adani Total Pvt. Ltd. (ATPL)	Joint Venture	50% (ALL)	Yes
111	Dhamra LNG Terminal Pvt. Ltd.	Joint Venture	100% (ATPL)	Yes
112	Veracity Supply Chain Pvt. Ltd.	Joint Venture	50% (ALL)	Yes
113	IndianOil Adani Ventures Ltd. (IAVL)	Joint Venture	49.99%	No
114	IAV Utkarsh Ltd.	Joint Venture	100% (IAVL)	Yes
115	IAV Engineering Projects Ltd.	Joint Venture	100% (IAVL)	Yes
116	IAV Engineering & Construction Services Ltd.	Joint Venture	100% (IAVL)	Yes
117	IAV Infrastructures Pvt. Ltd.	Joint Venture	100% (IAVL)	Yes
118	IAV Biogas Pvt. Ltd.	Joint Venture	100% (IAVL)	Yes
119	Kazakhstan Caaspishelf India Pvt. Ltd.	Joint Venture	100% (IAVL)	Yes
120	IAV Urja Services Limited	Joint Venture	100% (IAVL)	Yes
121	IOT Utkal Energy Services Ltd.	Joint Venture	71.57% (IAVL)	Yes

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S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
122	Zuari IAV Pvt. Ltd.	Joint Venture	50.00% (IAVL)	Yes
123	KN IAV Pvt. Ltd.	Joint Venture	49.00% (IAVL)	No
124	IOT Vito Muhendislik Insaat ve Taahhut AS, Turkey	Joint Venture	70.00% (IAVL)	Yes
125	Indian Oiltanking Engineering & Construction Services LLC, Oman	Joint Venture	70.00% (IAVL)	Yes
126	JSC Kazakhstancapishelf	Joint Venture	56.70% (IAVL)	Yes
127	Adani NYK Auto Logistics Solutions Pvt. Ltd.	Joint Venture	51% (ALL)	Yes
128	Adani KP Agriwarehousing Pvt. Ltd.	Joint Venture	74% (AKPL)	Yes
129	EZR Technologies Pvt. Ltd.	Joint Venture	51% (APTPL)	Yes
130	Harbour Services Lanka (Pvt) Ltd	Joint Venture	30% (TAHID)	No
131	Mediterranean International Ports A.D.G.D Ltd, Israel (" <b>Mediterranean</b> ")	Joint Venture	70%	Yes
132	Haifa Port Company Ltd.	Joint Venture	100% (Mediterranean)	Yes
133	Khimji Sparkle Marine Services, SAOC	Joint Venture	49% (SOPL)	No
134	Dighi Roha Rail Ltd.	Joint Venture	50% (DPL)	Yes

### VI. CSR Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- ii. Turnover (in ₹): 28,209.98 crore (Revenue from operations and other income)
- iii. Net worth (in ₹): 54,543 crore

### VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism	FY 2023-2024			FY 2022-2023		
		No. of complaints filled during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filled during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes <a href="https://scores.sebi.gov.in/">https://scores.sebi.gov.in/</a>	13	0	All complaints were disposed off	9	1	The unresolved complaint was resolved on April 05, 2023

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism	FY 2023-2024			FY 2022-2023		
		No. of complaints filled during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filled during the year	No. of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	0	0	NA			NA
Employees and workers	Yes <a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf</a>	0	0	NA	0	0	NA
Customers	Yes	0	0	NA	0	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)	Nil	0	0	NA	0	0	NA

## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
---------	---------------------------	--	--	--	--

Please refer the Focused approach to effectively addressing very high material matters section in Pg no 76 of Integrated Report

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available									
Directors Familiarization Programme	✓			✓					
Code of Conduct	✓	✓	✓	✓	✓		✓	✓	✓
Material Events Policy	✓			✓					
Nomination & Remuneration Policy	✓								
Supplier Code of Conduct		✓	✓	✓	✓	✓			✓
Working Hours Guidelines	✓		✓						
Environmental Policy		✓				✓			

**ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED**

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<b>Disclosure Questions</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
Code of Conduct Guidelines	✓	✓	✓	✓	✓		✓	✓	✓
Cyber Security Policy				✓					✓
Diversity Equity & Inclusion Guidelines			✓						
Anti-Bribery & Anti-Corruption Guidelines	✓						✓		
Human Rights Guidelines			✓	✓	✓				
Water Stewardship Policy		✓							
Stakeholder Engagement Policy				✓					
Energy & Emission Policy		✓							
Board Diversity Policy	✓								
Occupational Health & Safety Policy		✓	✓						
Sustainable Procurement Policy		✓	✓	✓	✓	✓			✓
Biodiversity Policy		✓							
Policy on Prevention of Sexual Harassment			✓		✓				
Terms and conditions of appointment of Independent Directors									
BRR Policies	✓								
Code of Fair Disclosure of UPSI	✓								
CSR Policy	✓								
Dividend Distribution & Shareholder Return Policy									
Guidelines for Employment of Differently abled People			✓	✓				✓	
Policy on Material Subsidiary	✓			✓					
Policy of Related Party Transactions for Acquiring and Sale of Assets	✓								
Policy on Preservation of Documents	✓						✓		
Website Content Archival Policy	✓								
Whistle Blower Policy	✓		✓	✓			✓		✓
Insider Trading Code	✓						✓		
Policy for Procedure of Inquiry in case of leak or suspected leak of UPSI	✓								
Related Party Transaction	✓								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, APSEZ's Code of Conduct and sustainable procurement Policy and supplier code of conduct Guidelines cover key aspects of APSEZ's policies related to its value chain partners. In case any vendor either does not accept APSEZ's Code of Conduct or is in its breach, the relationship is terminated following due process.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.									

ISO 14001: 2015  
 ISO 28000:2017  
 ISO 9001:2015  
 ISO 45001: 2018  
 ISO 50001:2018  
 IFC Performance Standard  
 GRI  
 UNGC  
 CEO Water Mandate  
 IBBI & IUCN

**P3: Employees:**

- Zero fatalities and Zero Incidents by 2025
- Employee Turnover: <4% Voluntary Attrition by 2025
- 5% women in the workforce by 2025

**P4: Stakeholder Engagement:**

- Employee Satisfaction Rate of 4.5/5 by 2025
- Supplier Satisfaction Rate of 4.75/5 by 2025
- Customer Satisfaction Rate of 4.75/5 by 2025

**P6: Energy & Emission:**

- Carbon neutrality by 2025, and net zero by 2040
- 50% Energy intensity reduction by 2025
- 60% Emission intensity reduction by 2025
- 100% RE share in total electricity by 2025
- 25% RE share in total energy by 2025

**P6: Water and Waste:**

- 60% Water consumption intensity reduction
- Zero waste to landfill for 12 ports by 2025.
- Single use plastic free sites (12 Ports + 4 ICDs + 14 Silo sites) by 2025
- Zero Unauthorized Waste Disposal (ZUWD)
- Zero Effluent Discharge (ZED)

**P6: Afforestation**

- 5000 Ha Mangrove afforestation by 2025
- 1200 Ha Terrestrial plantation by 2025

**P8: Community**

- Community based skill development Program: 100000 enrollments by 2025
- 265 Women's self- help groups by 2025

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.			<p><b>P3: Employees:</b>                      Number of fatalities in FY 2023-2024= 6                      Number of LTI = 22                      Voluntary attrition rate = 10%                      % of women workforce as of FY 2023-24= 3%</p> <p><b>P4: Stakeholder Engagement:</b>                      Employee Satisfaction Rate in FY 2023-2024= 3.95/5                      Supplier Satisfaction Rate in FY 2023-2024=4.25/5                      Customer Satisfaction Rate in FY 2023-2024= 4.5/5</p> <p><b>P6: Environment</b>  <b>Energy &amp; Emission:</b>                      RE share in total electricity                      FY 2024 – Target: 13%                      FY 2024 – Status: 13%</p> <p><b>Energy intensity reduction</b>                      FY 2024 – Target: 45%                      FY 2024 – Status: 49%</p> <p><b>Waste and Water:</b>                      Zero waste to landfill                      FY 2024 – Target: 6 sites                      FY 2024 – Status: 6 Sites</p> <p><b>Water consumption intensity reduction</b>                      FY 2024 – Target: 60%                      FY 2024 – Status: 61%</p> <p><b>Afforestation</b>                      Mangrove afforestation                      FY 2024 – Target: 4200 Ha.                      FY 2024 – Status: 4240 Ha.</p> <p><b>P8: Community</b>                      Number of enrollments in Community based skill development Programmes as of FY 2023-2024=265                      Number of Women's self-help groups as of FY 2023-2024=338</p>							
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)			Refer the CEO statement in integrated report							

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

The Board of the Company has constituted different committees to look after different aspects of Business Responsibility, these committees oversight the policy and implementation.

- i. Corporate Responsibility Committee comprising solely of the Independent Directors to oversee strategies, activities and policies including environment, social, governance, health and safety related material issue and indicators in the global context and evolving statutory framework.

**9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.**

Yes, the Corporate Responsibility Committee comprising solely of the Independent Directors is responsible for decision making on sustainability related issues. The Charter of the Committee is available at: <https://www.adaniports.com/-/media/Project/Ports/Investor/board-and-committee-charters/APSEZL---Corporate-Responsibility-Committee-Charter.pdf?la=en&hash=CEFD8B0007B599E3CE429F3269D4CC27>

**10. Details of Review of NGRBCs by the Company:**

	was by Director/Committee of e									Frequency (Annually/Half yearly/Quarterly/ Any other - pls specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	The performance against the policies of the Company is reviewed on a quarterly basis by department heads/director/board committees/board members, wherever applicable.								
Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Status of compliance with all applicable statutory requirements is reviewed by the Board on a quarterly basis.								

**11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

P1	P2	P3	P4	P5	P6	P7	P8	P9
No								

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### Essential Indicators

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	<ul style="list-style-type: none"> <li>i) Update on Capital Markets and Adani Airports</li> <li>ii) An overview of ESG Bravus Australia &amp; ESG Global Trends</li> <li>iii) Credit summary, Hydrogen Business &amp; Data Centre site visit</li> <li>iv) Update on Business, Strategic Direction, Technology &amp; Human Resources</li> <li>v) Credit Summary, ABEX Assurance &amp; Renewable Site visit</li> </ul>	80

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Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel	5	i) Update on Capital Markets and Adani Airports ii) An overview of ESG Bravus Australia & ESG Global Trends iii) Credit summary, Hydrogen Business & Data Centre site visit iv) Update on Business, Strategic Direction, Technology & Human Resources v) Credit Summary, ABEX Assurance & Renewable Site visit	90
Employees other than BoD and KMPs	10	1. Adani Anti-Phishing Module 2. Anti-Bribery and Anti-Corruption Policy at Adani. 3. Challenges in Implementing Digital Transformation 4. Digital Technologies for Transformation: Cloud Computing & Big Data & Analytics 5. Digital Technologies for Transformation: IoT, Augmented Reality & Virtual Reality 6. Group Safety Induction Module 7. Introduction to Digital Transformation and Key Drivers 8. Security Awareness Module at Adani 9. Strategy for Implementing Digital Transformation 10. Introduction to ESG	71
Workers	3	1. Effective Communication 2. Strategic Orientation 3. Supervisor development	38

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	Nil	Nil	Nil	NA
Settlement	Nil	Nil	Nil	Nil	NA
Compounding fee	Nil	Nil	Nil	Nil	NA
Non-Monetary					
Imprisonment	Nil	Nil	Nil	Nil	NA
Punishment	Nil	Nil	Nil	Nil	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NA	NA

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, APSEZL has an Anti-Corruption and Anti-Bribery policy (ABAC) in place (Weblink: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/AntiBribery--AntiCorruption-Guidelines.pdf>) The ABAC Policy applies to all dealings, transactions, and expenses for and on behalf of the Company. It is applicable to all the stakeholders working for or acting on behalf of the Company or any of its subsidiaries. This Policy lays out the spirit and guiding principles for all our stakeholders to ensure compliance with the applicable laws, rules, and regulations. APSEZL is committed to conducting its business with the highest standards of business ethics and integrity. A zero-tolerance approach is followed by APSEZL towards bribery, corruption, unethical practices, and breach of professional integrity. Therefore, any violation of these guidelines may have significant consequences, including action up to termination.

While conducting various business activities, it is expected by employees, managers, and business leaders to maintain the highest standards of corporate conduct and maintain long term relationships with business partners with integrity. The Company also complies with all applicable anti-money laundering laws wherever it does business, including any applicable registration and suspicious transaction reporting obligations.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**8. Number of days of accounts payables ((Accounts payable \*365)/Cost of goods/services procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	73	105

**9. Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0

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Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0	0
	b. Number of dealers/distributors to whom sales are made	0	0
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	0	0
Share of RPTs	a. Purchases (Purchases with related parties/ Total Purchases)	13.1%	8.6%
	b. Sales (Sales to related parties/Total Sales)	14.1%	14.9%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	78.1%	0
	d. Investments (Investments in related parties/Total Investments made)	11.9%	14.2%

### Leadership Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
5	1. ESG introduction 2. Supplier code of conduct 3. Human Rights 4. Sustainable procurement policy 5. Best available technology sharing	41

#### 2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, APSEZL has a Code of Conduct which is applicable to all the members of the Board of Directors and all the members of the Company. The code details the expectations regarding Conflict of Interest involving members of the Board. The Code is available at: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code-of-Conduct.pdf>. The members of the board and Senior management should affirm their compliance with the code on an annual basis. The annual compliance report is forwarded to the Company Secretary. As per the Code of Conduct, Directors and members of Senior Management of APSEZL should avoid conflicts of interests with the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company shall be disclosed promptly to the Company Secretary of the Company.

The Company receives an annual declaration from its Board of Directors and all employees confirming adherence to the Code of Conduct, which includes the provisions on dealing with conflict of interest.

### PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

#### Essential Indicators

#### 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D*	0	0	Not Applicable
Capex	0	0	Not Applicable

\* We are not a manufacturing entity. We are in the business of managing cargo at the port. Hence R&D is not very significant. However, Company is making substantial capital investment in the areas of renewable installation, electrification of cranes & other equipment/machinery, electrification of rail route, water conservation, wastewater and waste management, emission reduction etc. to minimize GHG emission, reduce waste and conserve natural resources. The company is also carrying out various initiatives for community & social welfare and impact assessment is carried out to evaluate outcome of social interventions. All these actions and initiatives are to improve environmental and social impacts.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, APSEZL believes that the development of its suppliers is imperative for our business growth. Therefore, the Company is committed towards the suppliers to inculcate APSEZL's Sustainable Procurement policy that focuses on - reduced use of toxic substances, conservation of natural resources, minimization of waste generation and release of pollutants/emissions, maximizing reusability and recyclability across value chain.

The Company has systems, policies, and procedures in place for sustainable sourcing. We are guided by our Sustainable Procurement Policies (sustainable procurement policy: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Sustainable-Procurement-Policy.pdf>) & supplier code of conduct: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Supplier-Code-of-Conduct.pdf>) which covers sustainable sourcing requirement related to development of systems & process, products, and services (including office products). Additionally, APSEZL has established key performance indicators (KPIs) and targets for supply chain management sustainability that apply to Tier 1 suppliers. These suppliers are deemed highly dependent, as they are the direct vendors with whom the Company engages in large volume transactions.

Our system records and verifies all suppliers' Environment, Social, and Governance (ESG) parameters, and we provide them with the necessary knowledge to improve their ESG metrics.

b. If yes, what percentage of inputs were sourced sustainably?

In FY 2023-24, APSEZL assessed 41% of suppliers on supplies hence considered 41% sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Being a service provider company, APSEZL doesn't have any products to reclaim for re-use and recycle. However, the Company complies with all applicable regulatory requirements pertaining to waste management. The Company has defined processes in place for managing waste at each of its operational sites/locations.

**Plastic Waste:** As per the statutory guidelines, for obtaining Environmental Clearance (EC) from MoEF&CC, we are required to have Single Use Plastic (SUP) free ports. Accordingly, all our operating ports are SUP free. Other than SUP, plastic waste is being disposed to authorized vendors for reuse and recycle appropriately.

**E-waste:** All e-waste generated in-house is handed over to certified vendors for safe disposal.

**Hazardous waste:** Hazardous waste is handled, segregated, stored, and transported in accordance with applicable regulatory requirements and best industry practices. Hazardous waste is disposed of in an environmentally sound manner through authorized vendors for recycling as required by regulation. Hazardous waste (chemicals, sludge, oil etc.) collected from incoming vessels are channelized through a separate line, which is handed over to authorized third-party dealers.

**Other Waste:** APSEZL has initiated 'Zero Waste to Landfill' (ZWL) initiative for non-hazardous waste as we are committed towards responsible waste disposal practices, and we have implemented the 5R approach (Reduce, Reuse, Recycle, Recover, and Reprocess) across all our facilities. As part of the ZWL initiative Mundra, Kattupalli, Ennore, Dhamra, Goa, and Tuna sites have achieved Zero Waste to Landfill certification. Essential measures taken towards effective waste management are:

- i. We have implemented a sustainable waste management practice by recycling bio-degradable waste and using it as manure.
- ii. Non-biodegradable waste such as paper, plastic, and scrap are sent to recyclers.
- iii. Non-recyclable and non-recoverable dry waste (loose refused derived fuel) was sent to cement plants for co-processing.
- iv. STP sludge was used as soil conditioner/manure.
- v. Under the International Maritime Organization's MARPOL 73/78 convention, vessels that call at our port deliver their waste safely to our facility at a nominal charge, in alignment with the 'polluter pays' principle'.
- vi. We continuously impart training to our employees on responsible waste disposal practices to ensure that they are aware of their roles in implementing sustainable waste management practices. In addition, we work with our customers to manage their waste through appropriate channels.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, owing to the nature of the Company's product/service offerings, APSEZL doesn't fall under Extended Producers Responsibility (EPR) regime under Plastic Waste Management Rules, 2016, according to which it is the responsibility of Producers, Importers and Brand-owners to ensure processing of their plastic packaging waste through recycling, re-use, or end of life disposal.

#### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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No, APSEZ has not conducted LCA for its services.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
-------------------------	---------------------------------	--------------

APSEZ has not conducted LCA for its services.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Plastic Waste	5%	6%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)			NA			NA
E-waste						
Hazardous waste						
Other waste						

The Company does not have any specific product to reclaim at the end of life, However, at the project and operation sites, there are systems in place to recycle, reuse and dispose in line with regulatory requirement for the above waste being generated during course of construction and operation.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
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Not Applicable

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

### Essential Indicators

#### 1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	2,699	2,699	100	2,699	100	NA	NA	2,699	100	NA	
Female	79	79	100	79	100	79	100	NA	NA	NA	
<b>Total</b>	<b>2,778</b>	<b>2,778</b>	<b>100</b>	<b>2,778</b>	<b>100</b>	<b>79</b>	<b>100</b>	<b>2,669</b>	<b>100</b>	<b>NA</b>	
<b>Other than Permanent employees</b>											
Male	136	136	100	136	100	NA	NA	136	100		
Female	5	5	100	5	100	5	100	NA	NA		
<b>Total</b>	<b>141</b>	<b>141</b>	<b>100</b>	<b>141</b>	<b>100</b>	<b>6</b>	<b>100</b>	<b>136</b>	<b>100</b>		

#### b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	350	350	100	350	100	NA	NA	350	100	NA	
Female	1	1	100	1	100	1	100	NA	NA	NA	
<b>Total</b>	<b>351</b>	<b>351</b>	<b>100</b>	<b>351</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>350</b>	<b>100</b>	<b>-</b>	
<b>Other than Permanent workers</b>											
Male	43	43	100	43	100	NA	NA	43	100		
Female	0	0	100	0	100	1	100	NA	NA		
<b>Total</b>	<b>43</b>	<b>43</b>	<b>100</b>	<b>43</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>43</b>	<b>100</b>	<b>-</b>	

#### c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.60%	0.60%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. Of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y
Others – please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces: Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, APSEZL is committed to delivering value through equality to nurture and promote human diversity across its operations. At our corporate office, we have made special provisions for differently abled employees and workers in accordance with the Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone and acknowledge the importance of having a diverse and equitable work environment. We have designed workplaces to enable employees with disabilities to carry out their jobs. Our Corporate office has ramps at entry locations and lobbies to facilitate wheelchairs. We have dedicated toilets for differently abled employees. We have elevators with Braille signs, designed for blind people or visually impaired people. Our other locations also comply with all the national/local requirements to accommodate differently abled person and their needs. All the Company's existing and new infrastructure has implemented a comprehensive plan to address the accessibility of workplaces for differently abled employees.

Our policy on Employment of differently abled People and Diversity, and Inclusion has been developed in line with our commitment. It can be accessed at: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Employment-of-Differently-abled-People---Guidelines---APSEZ.pdf>

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. APSEZL is an equal opportunity employer and extends the right of equal opportunity for differently abled candidates. We promote an inclusive work culture of creating a supportive professional environment that promotes trust, empathy, and mutual respect. Our policy on Employment of Differently abled People and Diversity and Inclusion has been developed in line with our commitment.

**Weblinks:**

Diversity Equity & Inclusion guidelines:

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Diversity-and-Inclusion-Guidelines.pdf>

Guidelines for Employment of Differently abled people:

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Employment-of-Differently-abled-People---Guidelines---APSEZ.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. Further details are provided below.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Yes, we have implemented an online Grievance Redressal system called "Speak-Up," which is exclusively for its workforce (permanent employees, permanent workers and other than permanent) to raise any concerns they may have. The system allows them to bring their concerns to the attention of the Grievance Redressal Committee (GRC), which resolves these issues within 14 working days. The grievances are resolved in a fair and time bound manner maintaining utmost confidentiality. In addition, grievance registers and complaint boxes are available at sites/locations wherein grievances/complaints can be registered/submitted. Workers that are engaged on a contract basis can also report their grievances to their respective contractor representative or the company supervisor. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads.

Apart from the on-line grievance redressal platform, the Company also has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has Internal Complaints Committees (ICCs) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the ICCs are responsible for conducting inquiries pertaining to such complaints.

The Company has also adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees to report concerns about unethical behavior and financial irregularities. The Company, on a regular basis, sensitizes its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programs.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity

Category	FY 2023-24			FY 2022-23		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. Of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	2,778	0	0	2,503	0	0
- Male	2,699	0	0	2,439	0	0
- Female	79	0	0	64	0	0
Total Permanent Workers	351	0	0	456	0	0
- Male	350	0	0	453	0	0
- Female	1	0	0	3	0	0

8. Details of training given to employees and workers

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	2,835	2,835	100	2,528	89	2,525	1,694	67%	1,432	57%
Female	84	84	100	42	50	69	14	20%	12	17%
<b>Total</b>	<b>2,919</b>	<b>2,919</b>	<b>100</b>	<b>2,570</b>	<b>88</b>	<b>2,594</b>	<b>1,708</b>	<b>66%</b>	<b>1,444</b>	<b>56%</b>
<b>Workers</b>										
Male	393	393	100	355	90	454	454	100%	454	100%
Female	1	1	100	1	100	4	4	100%	4	100%
<b>Total</b>	<b>394</b>	<b>394</b>	<b>100</b>	<b>356</b>	<b>90</b>	<b>458</b>	<b>458</b>	<b>100%</b>	<b>458</b>	<b>100%</b>

9. Details of performance and career development reviews of employees and worker

Category	FY 2023-24			Total No. (A)	No. reviewed (B)	% (B/A)
	Total No. (A)	No. reviewed (B)	% (B/A)			
<b>Employees</b>						
Male	2493	2493	100%	2525	2428	96%
Female	79	79	100%	69	69	100%
<b>Total</b>	<b>2572</b>	<b>2572</b>	<b>100%</b>	<b>2594</b>	<b>2497</b>	<b>96%</b>
<b>Workers</b>						
Male	363	363	100%	454	454	100%
Female	3	3	100%	4	4	100%
<b>Total</b>	<b>366</b>	<b>366</b>	<b>100%</b>	<b>458</b>	<b>458</b>	<b>100%</b>

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?

Yes, The Company has adopted and implemented the Adani Group's Safety Management System framework which is built on International Safety Standards such as ISO 45001, by integrating all critical business activities and applying principles, processes in order to provide safe and healthy workplaces across all Company's establishments, prevent work related injury and ill health, minimize risks and continuously improve safety performance. All our ports are certified with ISO 45001: 2018 "Management System". It is applicable to the company's entire operations/employees as well as contractors or individuals under the company's supervision.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

**Process:** APSEZL has established and aligned globally recognized high level Safety Intervention and Risk Assessment programs such as Safety Interaction (SI), Vulnerability Safety Risks (VSR), Site Risk Field Audits (SRFA), Process Hazard Analysis (PHA), and Prestart up Safety Review (PSSR) with Business specific Integrated Management System based Hazard Identification and Risk Assessment Process (HIRA) and Job Safety Analysis (JSA). The Company has adopted this framework and the reporting businesses have

developed an ecosystem of participative and consultative approach for engaging concerned stakeholders, including employees, associates, and contract workforce. The Company recognizes that the dynamic risks need to be managed and mitigated as per Hierarchy of Control to protect its stakeholders and achieve the objective of Zero Harm with enablement of Sustainable Growth. These interventions bring together an understanding of the potential upside and downside of all job and personal factors which can impact the organization with an objective to prevent injury, protect assets and add maximum sustainable value to all the activities and processes of the organization.

**Governance:** Safety Management Committee is responsible for implementing process safety by conducting risk assessment [i.e., HAZOP study, PHA, HIRA etc.] for existing system and implementation of recommendations of assessment.

**Capacity Building:** Many drives are taken across units to create awareness on identification of high-risk activities such as work at height, Confined Space, Lock Out Tag Out Try Out (LOTOTO) etc. and training on its standards. We acknowledge the fact that operations free from health risks have the potential to escalate productivity also. Hence, we have processes in place to manage and monitor health risks of employees, right from the time of their first interaction with the company. We are having OH&S management system (as per the requirement of OHSAS 45001/ISO 18001) for managing OH&S risks related to our activities, with HIRA in place for all activities and for every significant risk, appropriate control measure is implemented as per control measures hierarchy i.e., elimination, substitution, engineering, administration & Personal Protective Equipment (PPE). Also refer to the OHS section of Integrated report for details of OHS governance, system/process, training, performance, and related details.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, The Company uses the well-established Incident Management and Investigation System for fair and transparent reporting of work-related hazards and risks as unsafe acts/unsafe conditions, near misses, injuries and illness and serious incidents. This is followed by a comprehensive Root Cause Failure Analysis (Investigation), formulation of corrective actions as per Hierarchy of Controls, its tracking and monitoring and subsequent closure. The outcome and learnings from these events and incidents are deployed horizontally across the Group through a systemic process of 'Critical Vulnerable Factor' (CVF) as a part of Safety Governance Process. The progress on CVF is reviewed during Adani Apex Group Safety Steering Council Meetings as well as during their Business Safety Council Meetings. To facilitate this, an advanced digital platform (GENSUITE) on OH&S Reporting has been deployed by APSEZL. The Company access this platform through its machines as well as native and lite Mobile App version Moreover, each site has suggestion boxes where employees, workers and business partners can report grievances, and suggestions for improving the safety performance. Employees and workers can also report incidents and inaction on the safety incident through a formal whistle blower portal, the details of which are displayed at each site.

d. **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, the employees and workers have access to non-occupational medical and healthcare services. We care for our employees and our business partners' health and well-being and provide them with well-equipped hospitals across locations. We have some of the best medical insurance and accident coverage policies to help employees deal with medical emergencies. Periodic health check-ups and awareness sessions for all employees are conducted regularly. Not only the physical well-being, but the mental well-being of our employees is also taken care of. We conduct several programs across locations to help employees deal with stress and maintain a healthy work-life balance. This includes medical check-ups, clinics, etc. at sites to promote healthy and fit employees. The Company ensures the presence of fully equipped emergency healthcare facilities at all its sites, prioritizing the well-being of employees and contractors. To monitor the health of individuals, comprehensive pre-employment and periodic medical assessments are conducted for all personnel.

11. Details of safety related incidents, in the following format

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.12	0.09
	Workers	0.28	0.26
Total recordable work-related injuries	Employees	1	7
	Workers	21	14
No. of fatalities	Employees	0	0
	Workers	6	2
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\* Workers are all contractor employees

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Health and Safety of our people is of utmost importance to us. To achieve this, we have adopted a shared responsibility approach, with increased engagements at all levels of the workforce and strengthening the safety culture across all Company's businesses. We are taking steps to reduce reportable incidents, minimize injuries and regularly monitor the safety performance of our sites. Our occupational health and safety management system is also well aligned with Adani Safety Management System framework and covers all employees, contractors, business associates, visitors, and the community as well. In addition to that, all our sites are ISO 45001 (2018) certified. As a part of our strategy to prevent health and safety related incidents, we have identified two focus areas which are contractor safety management (CSM) and operational discipline. CSM procedure provides support in manpower deployment whereas the operational discipline ensures that proper measures to eliminate hazards are taken at all our sites. The safety intervention taken in FY 2023-24, are described in page no. 219 of IR FY 2023-24.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

14. Assessments for the year:

Health and safety practices	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Working Conditions	100
Health and safety practices	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

All incidents are investigated thoroughly as per APSEZL Safety Guidelines on Incident Reporting & Investigation and learning is shared across sites to ensure non-occurrence of similar incidents. Also, employees and workers are encouraged to report the maximum number of unsafe acts and conditions to eliminate such incidents. Please refer to IR page no. 221 for safety incidents and corrective actions taken.

## Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees: Yes, for Employees to safeguard and support them from uncertainties and during unfortunate times or distress, we have introduced 'Group Term Life Insurance' policy.

(B) Workers: Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company monitors remittance of statutory dues by value chain partners as part of processing their bills on a regular basis with periodic audits.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	0	0	0
Workers	1	7	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, subject to requirements, some of the highly qualified employees are retained as advisors after retirement. During employment, several skill upgradation programs are imparted to employees to facilitate continued employability.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Working Conditions	41% of supply chain partners were assessed for working conditions in FY 2024
Health and safety practices	41%

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The awareness training has been given to Suppliers on Health and Safety practices.

## PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

### Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We have identified our relevant stakeholder groups based on factors impacting our business. Our stakeholder identification and prioritization process are based on inclusivity, materiality, and responsiveness. APSEZL identifies its stakeholders as groups and individuals, who can influence or/are impacted by our operations/activities, change in technology, regulations, market, and societal trends either directly or indirectly which comprise of communities, employees, supply chain partners, customers, investors, regulators, and civil society organizations for all its operational ports. We also give utmost priority to identifying Indigenous/vulnerable people surrounding

our project sites and respecting their rights to economic, social, and cultural wellbeing and development. That said, identification of stakeholders is an on-going process is in line with our Stakeholder- Engagement-Policy.pdf (adaniports.com) <https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Stakeholder-Engagement-Policy.pdf>

We proactively engage with our stakeholders on a regular basis. For long term ongoing projects, stakeholders are identified before initiation of the project, basis the geographical area of the project as well as through the baseline & need assessment that is conducted. For any new proposed project or expansion, we map and engage with all such stakeholders on a proactive basis, particularly through our CSR activities. Further, we have stakeholder management processes in place at all our locations.

Our stakeholder groups have been majorly classified as:

**Direct:** Customers, Employees, Suppliers, Investors, Shareholders, Government, Local authorities, and Neighboring Communities.

**Indirect:** Peers, Rating Agencies, Third Party Agencies, Associations, International Community, Media, Research Agencies, Citizens, and NGOs.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, shareholder meets, email, Stock Exchange (SE) intimations, investor/analysts meet/conference calls, annual report, quarterly results, media releases, Company/SE website	Quarterly, as, and when required	<ol style="list-style-type: none"> <li>Share price appreciation, dividends, profitability, and financial stability</li> <li>Robust ESG practices, climate change risks, cyber risks</li> <li>Growth prospects</li> </ol>
Customers	No	Website, distributor/retailer/direct customer/achievers meet, senior leader customer meets/visits, helpdesk, conferences, joint BD plans, emails, customer surveys, reports, brochures, feedback mechanism, customer support cells	Quarterly, annually, as, and when required	<ol style="list-style-type: none"> <li>In surveys, customers (shipping lines) are asked to disclose their environment and health &amp; safety management systems &amp; certifications and targets on carbon reduction, waste management and water efficiency, human rights practices.</li> <li>Service Quality</li> <li>Responsiveness to needs</li> </ol>

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Online survey, magazines, e-mails, intranet, reports, website, online grievance mechanism, one-to-one interactions, Town Hall meetings, brochures, HR communication, wellness initiatives and workshops	Continuous, weekly, monthly, quarterly, and annually	<ol style="list-style-type: none"> <li>Career/performance discussion</li> <li>Training &amp; Awareness</li> <li>Identify and report human rights issues, and the awareness of various means to report any abuse</li> <li>Operational efficiency</li> <li>Health, safety, and engagement initiatives</li> </ol>
Suppliers	No	Prequalification/vetting, communication and partnership meets, plant visits, MoU and framework agreements, online survey, e-mails, ESG Assessment, vendor meet, online grievance mechanism, site visits, one-to-one interaction, reports, website and workshops	Monthly, quarterly, annually, as, and when required	<ol style="list-style-type: none"> <li>Quality &amp; sustainable supply</li> <li>Timely delivery and payments</li> <li>ESG consideration (sustainability, safety checks, compliances, human rights), ISO and OHSAS standards,</li> <li>Collaboration and digitalization opportunities</li> </ol>
Community	Yes	Community visits and projects, partnership with local charities, volunteerism, seminars/conferences, assessments & surveys, focused group discussions, one-to-one interactions, media, website, online grievance mechanism and field visits	Monthly, quarterly, annually, as, and when required	<ol style="list-style-type: none"> <li>Identify and prioritize the interventions required by the communities.</li> <li>Impact assessments of various community development projects are performed by third parties for CSR interventions undertaken.</li> <li>Assessments for human rights</li> <li>CSR activities</li> <li>Awareness programmes</li> </ol>
Regulatory authorities & rating agencies	No	Reports, website, online applications, presentation, one-to-one interaction, events, e-mails, letters, and meetings	Annually as, and when required	<ol style="list-style-type: none"> <li>Regulatory &amp; compliance requirements</li> <li>Support &amp; Feedback on business performance</li> <li>Sustainability topics of concern</li> </ol>

## Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We recognize that consultation with the stakeholders is a continuous process and is led by Leadership from the front through regular engagements at various platforms. We have a systematic stakeholder engagement process in place. We seek interactions to respond to trends, global environment, and market requirements. This approach enables us to proactively evaluate situations. We believe that stakeholders possess the ability to influence APSEZL's decisions and in turn, be influenced by the actions of the company.

To guide our approach to stakeholder engagement, we have established Stakeholder Engagement Policy (Stakeholder engagement policy) <https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Stakeholder-Engagement-Policy.pdf>. The appointment of respective stakeholder representatives enables this exercise to be conducted more efficiently as these representatives act as a channel to enable two-way engagement between the organization and stakeholders. There is continuous dialogue with the community stakeholders which is reviewed at Business Unit levels. Also, every two years through the thirdparty engagement, impact, baseline and need assessment, feedback from the stakeholders is taken. In addition to this through regular engagements at various platforms there is continuous dialogue with the stakeholders and the same is also presented to the Board. Public consultations are part of the new project and expansion plans, where feedback and views of the stakeholders is considered for project design.

Board-level committee: Corporate Responsibility Committee and Stakeholder Relationship Committee is responsible for consultation between stakeholders and the Board on Sustainability Strategy and long-term goals & targets, also plays a key strategic role in all business decisions to ensure workplace safety, eliminating any potential damage to the environment, enhancing a commitment towards stakeholders, and maintaining Company's reputation as one of leading Ports company.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. Business partners are encouraged to share input and feedback during various stakeholder interactions within our business. Stakeholder consultation is used to support and strengthen the Company's initiatives. Financial planning, CSR outflows, program designing, etc. has been taken up as per the materiality assessment. We engage with selected stakeholders, identified on the principles of responsibility, influence, impact and dependency. Customized questionnaires for various stakeholder categories are developed to identify areas of concern or ongoing focus desired by stakeholders. This is to facilitate consultative processes to ensure full coverage of environmental, social and governance issues as well as the involvement of the personnel and management of APSEZL to address all stakeholder queries and grievances.

The results of the materiality survey are used to identify material topics, with the highest priority for stakeholders and the biggest estimated impact on Adani Port's business in high-high and high-medium priority areas. The responses included various stakeholders, such as senior/middle management employees, contract employees, suppliers etc.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

The Company identifies the disadvantaged, vulnerable and marginalized stakeholders on an on-going basis. Any new proposed project or expansion is mapped by engaging the stakeholder proactively, specifically via CSR activities. A comprehensive stakeholder management and grievance mechanism exists at all our locations. Company engages with the disadvantaged, vulnerable and marginalized stakeholders through various CSR programs with an aim to empower women and make them financially independent and also develop their skills towards leadership and economic enhancement. Various CSR initiatives undertaken for farmers, women, students, unemployed youth, etc. Please refer to the CSR section of our Annual Integrated Report 2023-24 (page no. 223) for more details.

**PRINCIPLE 5: Businesses should respect and promote human rights.****Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			Total (C)	FY 2022-23	
	Total (A)	No. of employees/workers covered (B)	% (B/A)		No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2,778	2,213	80%	2,503	1,811	72%
Other than permanent	141	0	0%	91	0	0%
<b>Total Employees</b>	<b>2,919</b>	<b>2,213</b>	<b>76%</b>	<b>2,594</b>	<b>1,811</b>	<b>70%</b>
<b>Workers</b>						
Permanent	351	66	19%	456	6	1%
Other than permanent	43	0	0%	2	0	0
<b>Total Workers</b>	<b>394</b>	<b>66</b>	<b>17%</b>	<b>458</b>	<b>6</b>	<b>1%</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24						FY 2022-23			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	2,778	0	0	2,778	100	2,503	0	0	100	100
Male	2,699	0	0	2,699	100	2,439	0	0	100	100
Female	79	0	0	79	100	64	0	0	100	100
Other than Permanent	141	0	0	141	100	91	0	0	100	100
Male	136	0	0	136	100	86	0	0	100	100
Female	5	0	0	5	100	5	0	0	100	100
<b>Workers</b>										
Permanent	351	0	0	351	100	456	0	0	456	100
Male	350	0	0	350	100	453	0	0	453	100
Female	1	0	0	1	100	3	0	0	3	100
Other than Permanent	43	0	0	43	100	2	0	0	2	100
Male	43	0	0	43	100	1	0	0	1	100
Female	0	0	0	0	100	1	0	0	1	0

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	9	32.5	2	14.65
Key Managerial Personnel	5	390	-	-
Employees other than BoD and KMP	2,835	10.94	84	8.95
Workers	393	6.63	1	3.67

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	1.9	1.2

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Corporate Responsibility Committee is responsible for addressing human rights impacts or issues caused or contributed by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Stakeholders can raise concerns pertaining to human rights issues as per Whistle-blower Policy or by using online grievance management system available on Company website or by directly reaching to the Grievance redressal team through dedicated email – [grievance.apsez@adani.com](mailto:grievance.apsez@adani.com). Organization does not impede access to state-based judicial processes. Business HR conducts periodic audits to ensure compliance with the Human Rights Policies and ensure any issues or impacts are addressed in the defined manner within the stipulated timeline.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0		0	0	NA
Discrimination at workplace	0	0		0	0	NA
Child Labour	0	0		0	0	NA
Forced Labour/Involuntary Labour	0	0		0	0	NA
Wages	0	0		0	0	NA
Other human rights related issues	0	0		0	0	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0	0

## 8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

APSEZL has zero tolerance towards discrimination, bullying, harassment and inappropriate or abusive conduct by its stakeholder groups. We have the following measures to prevent adverse consequences to the complainant in discrimination and harassment cases.

To keep an eye on any harassment and discrimination cases within our company, the Corporate Responsibility Committee ensures a strategic alignment of sustainability and human rights with the business. The Risk Management Committee oversees the potential and actual risk pertaining to human rights at every stage of the project including merger and acquisition through human rights due diligence. Ultimate oversight for human rights resides with the Board of Directors, which are briefed on a quarterly basis by the ESG Head.

To make our stakeholders aware of relevant guidelines pertaining to human rights, we upload these on our Company website for easy access to all employees and stakeholders. Awareness and familiarization sessions for different sets of employee population are also conducted.

## 9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all the suppliers and vendors are required to adhere to APSEZ's Supplier Code of Conduct and Human Rights guidelines which provides comprehensive guiding principles and embodies our commitment to internationally recognized standards, including UN Global Compact, the core conventions of the International Labor Organization (ILO) and United Nations' Universal Declaration of Human Rights and prevalent industry standards for our vendors and suppliers. APSEZL has zero tolerance towards violation of human rights and keeps a strict vigil on the policies and practices followed by the suppliers. Also, we try to enforce the best practices on human rights in our supply chain using the influence we have on our suppliers. Our expectation of respect for human rights from all our business partners is unambiguously conveyed at multiple levels of engagement. During the on-boarding process and later, the suppliers undergo third party audit of their operations for compliance with safe working condition requirements, avoidance of child and forced labour, environmental and social impacts, and human rights due diligence. The human rights aspects are also covered in-depth in our annual survey of the vendors and the training programs organized for them. In the survey, the suppliers are required to disclose their policy to avoid child labour, forced labour, workplace harassment, gender & ethnic discrimination and their human rights due diligence process. The suppliers are assessed on whether their policy is aligned with the requirements set by APSEZL for their suppliers and business partners.

Human right due diligence is carried out for mergers and before acquisitions which includes due diligence of country reputation in term of respecting human rights, ongoing controversy pertaining to human rights violation including child labour/forced labour/bonded labour, diversity, human trafficking, wages, sexual exploitation, racial/gender discrimination etc.

## 10. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	-

## 11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

We have identified four salient human right issues human right issues as priorities to be addressed across our value chains against which we have taken preventive actions, listed below:

### Fair Wages

- Before Suppliers onboarding process we make sure they comply with all applicable laws and regulations with respect to minimum wages.

- b. APSEZL remuneration are in accordance with Government of India, Minimum Wages Act, 1948 and Wage Act 2019. We monitor our entire compensation structure to ensure that all employees are paid appropriately.

**Health & Safety**

- a. Access to quality healthcare is a fundamental right of every individual. Adani Foundation relentlessly works to provide access to quality health facilities at doorstep of community households and to a create healthy society.
- b. The company has robust systems and processes for occupational health and safety.
- c. We conduct the internal audit to check the working environment of the operating sites.
- d. We provide health & safety training to the workforce related to their functional areas.

**Forced Labour**

- a. Our assessment is designed to ensure that potential issues of forced labour are captured and brought to our attention. Our suppliers are expected to embed following system:
- b. A responsible Recruitment procedure
- c. Due diligence and screening process -Clear contract with agencies -Training for management and workers -Grievance Mechanism

**Discrimination & harassment**

- a. Communities are given awareness programs and make aware of government schemes so that they don't fall in debt cycle and do forced labour.
- b. Provided training to all the employees for awareness on diversity of workforce and work-related harassment, and discrimination.
- c. We have the Grievance Mechanism System that provides a transparent mode to obtain resolution on any human rights grievances.
- d. Suppliers are audited for their policy commitment and systems and processes for prevention of harassment and discrimination.

**Leadership Indicators**

**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

APSEZL fostered an inclusive culture free from discrimination and powered by diverse employee capabilities. The Company is committed to free and fair employment practices free of any harassment based on race, religion, colour, age, sexual orientation, national origin, disability, or any other classification as mandated by national laws, ILO and UNGP guidelines. The Company's commitment to human rights is reflected in its governance, procurement, and social strategy. APSEZL remained committed to uphold human rights across its value chain and its commitment was reflected in due diligence and implementation framework governed by the following policies:

- a. Adani Group policy on Human Rights
- b. Human Rights Guidelines
- c. Supplier Code of Conduct
- d. Corporate Social Responsibility Policy
- e. Stakeholder Engagement Policy
- f. Guidelines for employment of Differently abled people
- g. Business Responsibility Policy
- h. Group Guidelines on Prevention of Sexual Harassment of Women at Workplace
- i. Adani Group Code of Conduct Policy

In addition to the above policy implementation, this year we have amended our Human Rights Guidelines, Diversity, Equity & Inclusive Policy, and Supplier Code of conduct. We have conducted a human rights survey covering all our stakeholders. This year, we have asked the employees about any workplace harassment, or discrimination faced by them, the effectiveness of the system to identify and report human rights issues, and the awareness of various means to report any abuse. The Employee Grievance Management System has been launched at group level. The vendor onboarding process through ARIBA portal covers the Human rights related requirements. In addition, supplier/vendor and customer sustainability and ESG assessment has Human Right component integrated.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

APSEZL follows a robust human rights due diligence process that aligns with the UNGP reporting framework. The process begins with the identification and assessment of potential impacts on the human rights of workers, suppliers, consumers, and communities. The scope includes evaluating risks in our operations, value chains, and new partnerships such as mergers, acquisitions, and joint ventures.

Human right due diligence is carried out for mergers and before acquisitions which includes due diligence of country reputation in term of respecting human rights, ongoing controversy pertaining to human rights violation including child labour/forced labour/bonded labour, diversity, human trafficking, wages, sexual exploitation, racial/gender discrimination etc.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, we strongly promote equal opportunities for everyone, and we acknowledge the importance of having a diverse and equitable work environment. We have designed workplaces to enable employees with disabilities to carry out their jobs. Our Corporate office has ramps at entry locations and lobbies to facilitate wheelchairs. We have dedicated toilets for differently abled employees. We have elevators with Braille signs, designed for blind people or visually impaired people. Our other locations also comply with all the national/local requirements to accommodate differently abled person and their needs.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	41
Discrimination at workplace	41
Child Labour	41
Forced Labour/Involuntary Labour	41
Wages	41
Others – please specify	-

**5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**

Our assessment is designed to ensure that potential issues of forced labor are captured and brought to our attention. Our suppliers are expected to embed following system:

- a. A responsible recruitment procedure
- b. Due diligence and screening process
- c. Clear contract with agencies
- d. Training for management and workers
- e. Grievance mechanism

Provided training to all the employees for awareness of diversity of workforce and work-related harassment, and discrimination.

Suppliers are audited for their policy commitment and systems and processes for prevention of harassment and discrimination.

Before the suppliers onboarding process, we make sure they comply with all applicable laws and regulations with respect to minimum wages.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format**

Parameter	UOM	FY 2023-24	FY 2022-23
From renewable sources			
Total electricity consumption (A)	TJ	228	194
Total fuel consumption (B)	TJ	0	0
Energy consumption through other sources (C)	TJ	0	0
Total energy consumed from renewable sources (A+B+C)	TJ	228	194
From non-renewable sources			
Total electricity consumption (D)	TJ	1,565	1,194
Total fuel consumption (E)	TJ	1,660	1,626
Energy consumption through other sources (F)	TJ	0	0
Total energy consumed from non- renewable sources (D+E+F)	TJ	3,225	2,819
Total energy consumed (A+B+C+D+E+F)	TJ	3,453	3,013
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	GJ/Cr	122	134
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	TJ/Cr	0.033	0.036
Energy intensity in terms of physical output			
Energy intensity (optional) – the relevant metric may be selected by the entity	TJ/MMT	8.2	8.9

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No. The PAT scheme is not applicable to the Company's businesses.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	UOM	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>			
(i) Surface water	KL	13,50,678	8,39,237
(ii) Groundwater	KL	4,10,463	3,36,769
(iii) Third party water	KL	29,38,298	28,32,089
(iv) Seawater/desalinated water	KL	17,78,522	12,41,295
(v) Others	KL	12,20,162	9,60,739
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	KL	76,98,123	62,40,130
Total volume of water consumption (in kilolitres)		70,36,727	55,90,749
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)	ML/Cr	0.25	0.25

Parameter	UOM	FY 2023-24	FY 2022-23
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	ML/Cr	0.067	0.067
Water intensity in terms of physical output	ML/MMT	16.75	16.49
Water intensity (optional) – the relevant metric may be selected by the entity		NA	NA

4. Provide the following details related to water discharged:

Parameter	UOM	FY 2023-24	FY 2022-23	
<b>Water discharge by destination and level of treatment (in kilolitres)</b>				
(i) To Surface water	KL	0	0	
- No treatment		NA	NA	
- With treatment – please specify level of treatment		NA	NA	
(ii) To Groundwater		0	0	
- No treatment		NA	NA	
- With treatment – please specify level of treatment		NA	NA	
(iii) To Seawater		0	0	
- No treatment		NA	NA	
- With treatment – please specify level of treatment		NA	NA	
(iv) Sent to third-parties		0	0	
- No treatment		NA	NA	
- With treatment – please specify level of treatment		NA	NA	
(v) Others		0	0	
- No treatment		NA	NA	
- With treatment – please specify level of treatment		NA	NA	
<b>Total water discharged (in kilolitres)</b>			0	0

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. We ensure compliance with all applicable statutory obligations laid by the Central and State Pollution Control Board. For locations where zero liquid discharge is mandated by the Pollution Control Board, we have implemented and maintained adequate systems to ensure compliance. In other sites, we have mechanisms in place to treat the sewage/effluent as per the statutory guidelines. After treatment, we utilize treated water for internal usage to the extent possible.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format

Parameter	UOM	FY 2023-24	FY 2022-23
NOx	µg/m <sup>3</sup>	44.25	14.09
SOx	µg/m <sup>3</sup>	38.91	12.46
Particulate matter (PM)	µg/m <sup>3</sup>	54	41.36
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	UOM	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MT CO <sub>2</sub> e	1,26,197	1,21,102
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MT CO <sub>2</sub> e	3,43,428	2,61,951
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	MT CO <sub>2</sub> e/Cr	16.6	17.1
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	MT CO <sub>2</sub> e/Cr	4.5	4.6
Total Scope 1 and Scope 2 emission intensity in terms of physical output	KT CO <sub>2</sub> e/MMT	1.12	1.13
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. Refer to GHG emission section of Integrated report

9. Provide details related to waste management by the entity, in the following format

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	591	894
E-waste (B)	82	111
Bio-medical waste (C)	125	10
Construction and demolition waste (D)	0	0
Battery waste (E)	56	13
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any.(G)	2,307	1,324
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	10,073	13,792
Total (A+B + C + D + E + F + G + H)	13,234	16,145
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)(Mt/CR)	0.36	0.27
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.10	0.07
Waste intensity in terms of physical output	32	48
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Parameter	FY 2023-24	FY 2022-23
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	7,058	8,038
(ii) Re-used	783	3,076
(iii) Other recovery operations	2,259	1,132
Total	10,101	12,246
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	280	140
(ii) Landfilling	893	944
(iii) Other disposal operations	1,961	0
Total	3,133	1,084

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

APSEZL, being in the service industry (i.e., provides services for cargo handling & logistics, operations & maintenance of port sector) does not produce any products using hazardous and toxic chemicals. As such, we don't have potential to recycle generated waste in our operations. However, APSEZL complies with all the applicable regulatory requirements pertaining to waste management. Achieving Zero Waste to Landfill at all our sites by FY 2025 is an ambitious sustainability goal that aims to divert all waste from landfills and eliminate the need for traditional waste disposal practices.

We dispose of our waste in an environmentally friendly manner through CPCB/SPCB registered CHWIF/TSDf or authorized recyclers. As we move towards our vision of Zero Waste to landfill at all sites, several initiatives have been implemented in the handling and management of hazardous and non-hazardous waste at all operating port locations by focusing on 5R principles of waste management i.e., Reduce, Reuse, Reprocess, Recycle and Recover. Essential measures we take towards effective waste management:

- We have implemented a sustainable waste management practice by recycling bio-degradable waste and using it as manure.
- Non-biodegradable waste such as paper, plastic, and scrap are sent to recyclers.
- Non-recyclable and non-recoverable dry waste (loose refused derived fuel) was sent to cement plants for co-processing.
- STP sludge was used as soil conditioner/manure.
- APSEZL has successfully accomplished its objective of establishing a single-use plastic-free port across its sites as part of its commitment to the 5R's principle.
- We continuously educate and train our employees on responsible waste disposal practices to ensure that they are aware of their roles in implementing sustainable waste management practices.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	All ports & Terminal falls under coastal regulation zone (CRZ) area	Handling & storage of cargo	Yes*

\*Apart from CRZ there's no Eco Sensitive Areas (National Park, Sanctuary, biosphere reserve, wetlands, biodiversity hotspots) within our development footprint. However comprehensive Biodiversity Assessment is being carried out before setting up of facility as part of Environment Impact Assessment (EIA) studies and biodiversity impacts for both terrestrial & marine is studied in detail, impacts are identified, and mitigation measures/management program is proposed based on identified impacts. For both construction and operation phase. The progress on management measures/EMP (Environment Management Plan) is being submitted to all the concerned regulatory authorities as part of half yearly compliance report and is also kept on Company's website at <https://www.adaniports.com/Downloads>.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
CRZ Clearance for remainga 253 MLD Desalination Plant out of approved 300 MLD capacities @ APSEZ, Mundra	EIA Notification 2006	October 2022	Yes through NABET accredited consultant	Yes	<a href="https://parivesh.nic.in/newup-grade/#/proposal-summary/proposal-document?proposal=24887381&amp;proposal_no=IA%2FGJ%2F-CRZ%2F452527%2F2023&amp;proposal_id=24887372">https://parivesh.nic.in/newup-grade/#/proposal-summary/proposal-document?proposal=24887381&amp;proposal_no=IA%2FGJ%2F-CRZ%2F452527%2F2023&amp;proposal_id=24887372</a>
EC & CRZ Clearance for expansion of Waterfront Development project @ APSEZ, Mundra	EIA Notification 2006	November 2023	Yes through NABET accredited consultant	Yes	<a href="https://parivesh.nic.in/newup-grade/#/proposal-summary/proposal-document?proposal_id=24887372&amp;proposal_no=IA%2FGJ%2F-CRZ%2F452527%2F2023">https://parivesh.nic.in/newup-grade/#/proposal-summary/proposal-document?proposal_id=24887372&amp;proposal_no=IA%2FGJ%2F-CRZ%2F452527%2F2023</a>

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NIL				

## Leadership Indicators

### 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility/plant located in areas of water stress, provide the following information:

- Name of the area: Dhamra, Tuna, Dahej, Hazira in Gujarat, Krishnapatanam in Andhra Pradesh, Kattupalli & Ennore in Tamilnadu and Dighi in Maharashtra.
- Nature of operations: Ports cargo handling
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	13,50,678	1,38,220
(ii) Groundwater	2,84,206	16,108
(iii) Third party water	39,12,876	24,28,203
(iv) Seawater/desalinated water	17,63,696	13,67,876
(v) Others	70,548	9,58,485
Total volume of water withdrawal (in kilolitres)	73,82,004	49,08,892
Total volume of water consumption (in kilolitres)	68,58,745	43,14,481
Water intensity per rupee of turnover (Water consumed/turnover)	243.22	179.77
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

### 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	UOM	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	18,87,215	20,23,072
Total Scope 3 emissions per rupee of turnover		67	90
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Apart from CRZ there's no Eco Sensitive Areas (NP, Sanctuary, biosphere reserve, wetlands, biodiversity hotspots) within our development footprint. However, comprehensive Biodiversity Assessment is being carried out before setting up of facility as part of EIA studies and biodiversity impacts for both terrestrial & marine is studied in detail, impacts are identified, and mitigation measures/management program is proposed based on identified impacts. For both construction & operation phase. The progress on management measures/EMP is being submitted to all the concerned regulatory authorities as part of Half yearly compliance report and is also kept on Company's website.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
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Refer ESG Section of the Integrated Report

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

Yes, APSEZ has "Onsite Emergency plan & Disaster Control" measure in place, focusing on business continuity to address disruptive events like Oil spillage, fire, cyber-attacks, acts of terror, etc. The practices have been developed through benchmarking against best practices at other organizations with mature Business Continuity Management practices. All our ports have on-site and off-site disaster management plans in place. The same is submitted to MOEF & CC as part of the half yearly EC & CRZ compliance report.

Mundra port onsite emergency plan can be seen at: <https://www.adaniports.com/-/media/Project/Ports/PortsAndTerminals/Mundra-Documents/Environment-Compliance-Report/Current-Environment-Compliance-Report/EC-Compliance-Report-Transmission-Line-66KV-Apr23-to-Sep23.pdf>

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There has been no significant adverse impact arising from the value chain of APSEZ.

We make sure to take all the necessary measures to reduce any adverse environmental impacts arising from our value chain. For instance, none of the vessels entering the port limit are allowed to discharge any waste, bilge, ballast into the water. The company has provided waste reception facilities for incoming vessels to avoid marine water pollution. Also, PUC certification has been mandated for incoming vehicles to minimize emissions. We are also working towards electrification of Corporate Overview Statutory Reports Financial Section 397 railway lines to minimize emissions. Under the International Maritime Organization's MARPOL 73/78 convention, vessels that call at our port deliver their waste safely to our facility at a nominal charge, in alignment with the 'polluter pays' principle.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Details of assessment of value chain partners for assessed for ESG has been provided under Supplier section in our Integrated Annual Report FY 2023-24 : 41%

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations: 13
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Export Organizations (FIEO)	National
3	World Economic Forum (WEF)	National
4	Federation of Indian Chamber of Commerce and Industry (FICCI)	National
5	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
6	National Safety Council (NSC-Mumbai)	National
7	Ahmedabad Management Association (AMA)	State
8	Federation of Kutch Industries associations (FOKIA)	State
9	Hazira Area Industries Association (HAIA)	State
10	Gujarat Chamber of Commerce and Industry (GCCCI)	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

### Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/Others – please specify)	Web Link, if available
1	Harit Sagar, The green port guidelines 2023	Internal communication	No	Quarterly	N/A
2	GHG Emission control under ministry of port, shipping & water ways	Discussion at marine environment protection committee (MEPC)	No	Quarterly	N/A

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.****Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Nil					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Nil						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company's grievance reporting initiatives comprised a 24x7 grievance reporting mechanism through its website, dedicated telephone numbers and drop boxes at prominent locations. Several people across the company's sites (supervisors, seniors, and department heads) can be reached directly for reporting grievances. The Company provides communities with a grievance reporting system (recorded, reviewed, escalated, and actioned upon within a timeframe). A Grievance Management System was implemented for the aggrieved to view status, resolution, and feedback. The Company is further in the process of developing and rolling out of an integrated Grievance Management System wherein all types of grievance will feed into one integrated system.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	NA	NA
Directly from within India	73%	56%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	34%	33%
Semi-urban	25%	24%
Urban	5%	6%
Metropolitan	35%	38%

**Leadership Indicators**

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Andhra Pradesh	Vishakhapatnam	6,15,00,000

a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

Yes, APSEZL has a Sustainable Procurement Policy and Supplier Code of Conduct in place, which covers the aspect related to procurement/purchase from marginalized/vulnerable groups. APSEZL is driving economic development by enhancing procurement processes for social and environmental gains. The procurement focus was not just on local development but a range of accrued benefits of lower costs, higher brand recognition and livelihood support. Local vendors generally employ hundreds unlikely to leave that city, delivering benefits for the local economy in which they are based. Utilizing procurement more progressively and innovatively has facilitated the participation of small to medium sized enterprises (SMEs) in public procurement in support of common societal goals. For further details refer to the Supply Chain section of our Integrated Annual Report FY 2023-24 (page no. 238).

b. From which marginalized/vulnerable groups do you procure?

Local/regional suppliers and Local communities.

c. What percentage of total procurement (by value) does it constitute?

During FY 2023-24, 54% of the Company's procurement was derived from local State vendors and 30% from the same district.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
		NA		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
	NA	

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Climate Action	27,002	19%
2	Community Development	34,288	55%
3	Community Health	2,85,774	23%
4	Community Infra	8,360	0%
5	Education	32,946	30%
6	Emergency Response	13,400	0%
7	Sustainable Livelihoods	1,38,214	9%

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The company has formal mechanisms in place to collect feedback from the customers. The customers can reach out with their complaints related to our services or payment transactions through mail or online portal and a time bound solution is provided to them. To report any grievance, we can be reached at [Grievance.apsez@adani.com](mailto:Grievance.apsez@adani.com). Besides, APSEZL proactively engages with our customers regularly. We also carry out customer satisfaction surveys through deployment of internal resources on an annual basis and covers feedback from customers across all port and logistics locations. Based on the feedback, necessary process improvements are undertaken as a part of standard management systems.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable considering the nature of Company's product and services offerings
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other	0	0	Nil	0	0	Nil

**4. Details of instances of product recalls on account of safety issues:**

Number	Reasons for recall
Voluntary recalls	Not Applicable
Forced recalls	

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, APSEZL has a Cyber Security Policy: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Adani-Cyber-Security-Policy.pdf> in place that covers all aspects of cyber risk for IT and business areas. We are committed to establishing and improving cyber security posture and minimizing our exposure to such risks. Please refer to integrated report on page no. 258.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

So far, APSEZL has not faced any substantiated incidents concerning breaches of cybersecurity/data privacy, etc. However, we have all the measures in place to avoid any such incidents.

- a. APSEZL mitigation plan included a cyber-security program, SOP across functions, cyber security awareness programs to employees and the development of business continuity plans.
- b. APSEZL has mandated annual training on cyber security for all the employees and conducts it with utmost rigor and sincerity. Any deviation will be dealt with as per applicable procedures laid out in relevant guidelines and policies. Also, awareness programs on Information Security are available to all employees and wherever applicable to third parties e.g., sub-contractors, consultants, vendors etc.

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches: 0
- b. Percentage of data breaches involving personally identifiable information of customers: 0
- c. Impact, if any, of the data breaches: There has been no such instance which has occurred during FY 2023-24.

**Leadership Indicators**

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Yes, all the required information about our services has been uploaded on our website and can be accessed at: Growth with Sustainability - Adani Ports and SEZ Ltd: <https://www.adaniports.com/Downloads> (adaniports.com); <https://www.adaniports.com/Downloads> Corporate Governance: Adani Ports and Logistics

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

We continuously engage with our customers on a proactive basis to inform and educate them. We conduct a Survey annually to know their ESG performance and inform them about our policies.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

During disruption/discontinuation of essential services, consumers are intimated through:

- a) electronic communications
- b) Over telephonic calls.
- c) corporate website (Adani Ports and SEZ Ltd) <https://origin-webapp.adaniports.com/>

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not Applicable

## Independent Assurance Statement

To the Directors and Management  
 Adani Ports & Special Economic Zone Ltd. (APSEZL),  
 Adani Corporate House, Shantigram, Near Vaishno Devi Circle,  
 S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat

Adani Ports & Special Economic Zone Ltd. (APSEZL) (hereafter 'APSEZL') commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of BRSR Core disclosures (*09 attributes as per Annexure I - Format of BRSR Core*) following the (*BRSR Core - Framework for assurance and ESG disclosures for value chain*) stipulated in SEBI *circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/07/2023*. APSEZL developed Business Responsibility and Sustainability Report (hereinafter 'the BRSR') for the period April 01, 2023 to March 31, 2024. The BRSR is based on the National Guidelines on Responsible Business Conduct (NGRBC), *SEBI circular: SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10/05/2021* followed by the *notification number SEBI/LAD-NRO/GN/2023/131, dated 14/06/2023* pertaining to Business Responsibility and Sustainability Report (BRSR) requirement. This "reasonable level" of assurance engagement conducted in reference with BRSR, the terms of our engagement and ISAE 3000 (Revised) requirement.

### Management's Responsibility

APSEZL developed the BRSR's content pertaining to the Core disclosures (09 attributes as per Annexure I - Format of BRSR Core). APSEZL management is responsible for carrying out the collection, analysis, and disclosure of the information presented in the BRSR (web-based and print), including website maintenance, integrity, and for ensuring its quality and accuracy in reference with the applied criteria stated in the BRSR, such that it's free of intended or unintended material misstatements. APSEZL will be responsible for archiving and reproducing the disclosed data to the stakeholders and regulators upon request.

### Scope and Boundary

The scope of work includes the assurance of the following *09 attributes as per Annexure I - Format of BRSR Core* disclosed in the BRSR report. The BRSR core requirements encompass essential disclosures pertaining to organization's Environmental, Social and Governance (ESG). In particular, the assurance engagement included the following:

- i. Review of *09 attributes as per Annexure I - Format of BRSR Core* submitted by APSEZL
- ii. Review of the quality of information
- iii. Review of evidence (on a random samples) for all 9 attributes and its KPI

TUVI has verified the below *09 attributes as per Annexure I - Format of BRSR Core* disclosed in the BRSR

Attributes	KPI
Green-house gas (GHG) footprint <i>Boundary:</i> <i>Scope 1 Boundary - Consumption from all domestic and international operations are part of financial statement.</i> <i>Scope 2 Boundary - All domestic and international operations.</i>	Total Scope 1 emissions (with breakup by type) - GHG (CO <sub>2</sub> e) Emission in MT - Direct emissions from organization's owned- or controlled sources Total Scope 2 emissions in MT - Indirect emissions from the generation of energy that is purchased from a utility provider GHG Emission Intensity (Scope 1+2), Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP GHG Emission Intensity (Scope 1+2), (Total Scope 1 and Scope 2 emissions (MT) / Cargo Handled (MMT))
Water footprint <i>Boundary:</i> <i>All domestic and international operations.</i>	Total water consumption (in kL) Water consumption intensity - kL / Total Revenue from Operations adjusted for PPP Water consumption intensity - kL / Cargo Handled (MMT) Water Discharge by destination and levels of Treatment (kL)
Energy footprint <i>Boundary:</i> <i>Refer attribute "Green-house gas (GHG) footprint"</i>	Total energy consumed in GJ % of energy consumed from renewable sources - In % terms Energy intensity - GJ/ Rupee adjusted for PPP Energy intensity - GJ/ Cargo Handled (MMT)
Embracing circularity - details related to waste management by the entity <i>Boundary:</i> <i>Covers all ports in India.</i>	Plastic waste (A) (MT) E-waste (B) (MT) Bio-medical waste (C) (MT) Battery waste (D) (MT) Engine oil (E) Oil containers (F) Engineering spares (G) (MT) Mixed metal (H) (MT) Mixed Organic (I) (MT) Total waste generated (A + B + C + D + E + F+G+H+I) (MT) Waste intensity <ul style="list-style-type: none"> <li>• MT / Rupee adjusted for PPP</li> <li>• MT / Cargo Handled (MMT)</li> </ul> Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (MT) Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (Intensity) ✓ Waste Recycled Recovered /Total Waste generated

Attributes	KPI
	For each category of waste generated, total waste disposed by nature of disposal method (MT) For each category of waste generated, total waste disposed by nature of disposal method (Intensity) ✓ Waste Recycled Recovered / Total Waste generated
Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company - In % terms Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites) 1) Number of Permanent Disabilities 2) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) 3) No. of fatalities
Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid - In % terms Complaints on POSH 1) Total Complaints on Sexual Harassment (POSH) reported 2) Complaints on POSH as a % of female employees / workers 3) Complaints on POSH upheld
Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India - In % terms – As % of total purchases by value Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost - In % terms – As % of total wage cost
Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events - In % terms Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured
Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties 1) Purchases from trading houses as % of total purchases 2) Number of trading houses where purchases are made from 3) Purchases from top 10 trading houses as % of total purchases from trading houses 1) Sales to dealers / distributors as % of total sales 2) Number of dealers / distributors to whom sales are made 3) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors Share of RPTs (as respective %age) in - • Purchases • Sales • Loans & advances • Investments

The reporting boundaries for the above attributes include APSEZL integrated services in the ports, logistics, port-based services and SEZ segment with 15 Nos. ports/terminals & corporate office. It also extend to its subsidiary Adani Logistics Limited (ALL), operating 6 Nos. warehouses, 10 logistic parks and 19 Nos. of Agri silos. APSEZ serves 28 states/UT in India and has four ports and one office outside India. An on-site & online verification was conducted at Corporate Office and six ports between 10<sup>th</sup> Jan 2024 to 27<sup>th</sup> Apr 2024.

#### Onsite Verification

1. Adani Corporate House, Ahmedabad: 11<sup>th</sup> – 13<sup>th</sup> Mar 2024
2. Adani Gangavaram Ports Pvt Ltd, Gangavaram: 22<sup>nd</sup> – 23<sup>rd</sup> Jan 2024
3. Adani Hazira Ports Pvt Ltd, Hazira: 12<sup>th</sup> – 13<sup>rd</sup> Jan 2024
4. Adani Krishnapatnam Port Ltd., Krishnapatnam: 17<sup>th</sup> – 18<sup>th</sup> Jan 2024
5. Marine Infrastructure Pvt. Ltd, Kattupalli & Adani Ennore Container Terminal Port Ltd., Ennore: 19<sup>th</sup> – 20<sup>th</sup> Jan 2024

#### Online Verification

1. Adani Ports and Special Economic Zone Ltd, Mundra: 10<sup>th</sup> – 11<sup>th</sup> Jan 2024
2. Adani Corporate House, Ahmedabad : 27<sup>th</sup> Apr 2024

The assurance activities were carried out together with a desk review as per reporting boundary.

#### Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the Report, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion on the prospective information. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI did not verify any ESG goals and claim through this assignment. TUVI verified data on a sample basis; the responsibility for the authenticity of data entirely lies with APSEZL. Any dependence of person or third party may place on the BRSR Report is entirely at its own risk. TUVI has taken reference of the financial figures from the audited financial reports. APSEZL will be responsible for the appropriate application of the financial data.

#### Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a reasonable level of assurance and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of APSEZL 's strategy, management of ESG-related issues or the sufficiency of the Report against BRSR reporting principles, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes assurance of non-financial quantitative and qualitative information (09 attributes as per Annexure I - Format of BRSR Core) disclosed by APSEZL. Reporting Organization is responsible for archiving the related data for a reasonable time period. This assurance engagement is based on the assumption that the data and information provided to TUVI by APSEZL are complete and true. The intended users of this assurance statement are the management of 'APSEZL'. The data is verified on a sample basis, the responsibility for the authenticity of data lies with the reporting organization. Reporting Organization is responsible for archiving the related data

for a reasonable time period. TUVI expressly disclaims any liability or co-responsibility 1) for any decision a person or entity would make based on this assurance statement and 2) for any damages in case of erroneous data is reported. This assurance engagement is based on the assumption that the data and information provided to TUVI by APSEZL are complete and true.

## Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing on verification efforts with respect to disclosures. TUVI has verified the disclosures and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- a) TUVI examined and reviewed the documents, data, and other information made available by APSEZL for non-financial [09 attributes as per Annexure I - Format of BRSR Core](#) (non-financial disclosures)
- b) TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of APSEZL
- c) TUVI performed sample-based reviews of the mechanisms for implementing the sustainability-related policies and data management (qualitative and quantitative)
- d) TUVI reviewed the adherence to reporting requirements of "BRSR"

## Opportunities for Improvement

The following are the opportunities for improvement reported to APSEZL. However, they are generally consistent with APSEZL management's objectives and programs. APSEZL already identified below topics and Assurance team endorse the same to achieve the Sustainable Goals of organization.

- i. APSEZL may strengthen its internal reporting by opting a smart cloud-based data management system and compliment the same with periodic internal data and performance reviews

## Conflict of Interest

In the context of BRSR requirements set by SEBI, addressing conflict of interest is crucial to maintain high integrity and independence of assurance engagements. As per SEBI guidelines, assurance providers need to disclose any potential conflict of interest that could compromise the independence or neutrality of their assessments. TUVI diligently identifies any relationships, affiliations, or financial interests that could potentially cause conflict of interest. We proactively implement measures to mitigate or manage these conflicts, ensuring independence and impartiality in our assurance engagements. We provide clear and transparent disclosures about any identified conflicts of interest in our assurance statement. We recognize that failure to address conflict of interest adequately could undermine the credibility of the assurance process and the reliability of the reported information. Therefore, we strictly adhere to SEBI guidelines and take necessary measures to avoid, disclose, or mitigate conflicts of interest effectively.

## Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on BRSR Core KPI described in the BRSR report along with the referenced information provides a fair representation of the 9 attributes, and meets the general content and quality requirements of the BRSR. TUVI confirms its competency to conduct the assurance engagement for the BRSR as per SEBI guidelines. Our team possesses expertise in ESG verification, assurance methodologies, and regulatory frameworks. We ensure independence, employ robust methodologies, and maintain continuous improvement to deliver reliable assessments.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the BRSR requirements. APSEZL refers to general disclosure to report contextual information about APSEZL, while the Management & Process disclosures the management approach for each indicator ([09 attributes as per Annexure I - Format of BRSR Core](#)).

Reasonable Assurance: As per SEBI reasonable assurance requirements including scope of Assurance, Assurance methodologies (risk-based approach and data validation techniques), mitigating conflicts of interests, documentation on evidence and communication on findings, TUVI can effectively validate the accuracy and reliability of the information presented in the BRSR, instilling confidence in stakeholders and promoting transparency and credibility in ESG reporting practices.

## BRSR complies with the below requirements

- a) Governance, leadership and oversight: The messages of top management, the business model to promote inclusive growth and equitable development, action and strategies, focus on services, risk management, protection and restoration of environment, and priorities are disclosed appropriately.
- b) Connectivity of information: APSEZL discloses [09 attributes as per Annexure I - Format of BRSR Core](#) and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.
- c) Stakeholder responsiveness: The Report covers mechanisms of communication with key stakeholders to identify major concerns to derive and prioritize the short, medium and long-term strategies. The Report provides insights into the organization's relationships (nature and quality) with its key stakeholders. In addition, the Report provides a fair representation of the extent to which the organization understands, takes into account and responds to the legitimate needs and interests of key stakeholders.
- d) Materiality: The material issues within 9 attributes and corresponding KPI as per BRSR requirement are reported properly.
- e) Conciseness: The Report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point sentences, graphs, pictorial, tabular representation is applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.
- f) Reliability and completeness: APSEZL has established internal data aggregation and evaluation systems to derive the performance. APSEZL confirms that, all data provided to TUVI, has been passed through QA/QC function. The majority of the data and information was verified by TUVI's assurance team (on sample basis) during the BRSR verification and found to be fairly accurate. All data, is reported transparently, in a neutral tone and without material error.
- g) Consistency and comparability: The information presented in the BRSR is on yearly basis. and founds reliable and complete manner. Thus, the principle of consistency and comparability is established.

**Independence and Code of Conduct:** TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and

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safeguards approach to independence. We recognize the importance of maintaining independence in our engagements and actively manage threats such as self-interest, self-review, advocacy, and familiarity. The assessment team was safeguarded from any type of intimidation. By adhering to these principles, we uphold the trust and confidence of our clients and stakeholders. In line with the requirements of the SEBI [circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/07/2023](#), TÜV confirms that there is no conflict of interest with APSEZL.

TÜV solely focuses on delivering verification and assurance services and does not engage in the sale of service or the provision of any non-audit/non-assurance services, including consulting.

**Quality control:** The assurance team complies with quality control standards, ensuring that the engagement partner possesses requisite expertise and the assigned team collectively has the necessary competence to perform engagements in reference with standards and regulations. Assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour. In accordance with International Standard on Quality Control, TÜV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Our Assurance Team and Independence**

TÜV is an independent, neutral third-party providing ESG Assurance services with qualified environmental and social specialists. TÜV states its independence and impartiality and confirms that there is "no conflict of interest" with regard to this assurance engagement. In the reporting year, TÜV did not work with APSEZL on any engagement that could compromise the independence or impartiality of our findings, conclusions, and observations. TÜV was not involved in the preparation of any content or data included in the BRSR, with the exception of this assurance statement. TÜV maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TÜV India Private Limited



Manojkumar Borekar  
Product Head - Sustainability Assurance Service  
TÜV India Private Limited



Date: 21/05/2024  
Place: Mumbai, India  
Project Reference No: 8122251091

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# Independent Auditor's Report

To the Members of  
**Adani Ports and Special Economic Zone Limited**

## Report on the Audit of the Standalone Financial Statements

### Qualified Opinion

We have audited the accompanying standalone financial statements of Adani Ports and Special Economic Zone Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information in which are included the Returns for the year ended on that date audited by the branch auditor of the Company's branch located at Bangladesh (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of branch auditor on separate financial information of one Branch, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended, ("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 Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

As described in Note 44 to the standalone financial statements, pending outcome of the Securities and

Exchange Board of India's ("SEBI") investigations, we are unable to comment on the possible consequential effect thereof on any of the periods presented in the standalone financial statements and whether the Company has complied with any applicable laws and regulations.

This matter was also qualified in the report of the predecessor auditors on the standalone financial statements for the year ended March 31, 2023.

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and with the consideration of report of the branch auditor referred to in the "Other Matters" section below is sufficient and appropriate to provide a basis for our qualified opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue Recognition</b></p> <p>The Company engages in contracts with its customers wherein revenue from such contracts are recognized at a point in time, 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.</p> <p>Amount of revenue recognition in respect of price contracts has been identified as a Key Audit Matter considering that:</p> <p>a) There is a risk that services rendered may not be recorded completely and correctly which may understate or overstate the revenue.</p> <p>b) Underlying risk that services may not be recorded in the correct period due to which revenue for a particular period may be overstated or understated.</p> <p>c) Underlying risk that incorrect / inaccurate unearned income may be recognised leading to misstatement of revenue recognition.</p>	<p><b>Our audit procedures with respect to this area included, among others, following:</b></p> <ol style="list-style-type: none"> <li>1. Obtained an understanding of the systems, processes and controls implemented by the Company with respect to recognition of revenue on each contract, measurement of unbilled revenue and unearned revenue on its completion.</li> <li>2. Involved Information Technology ('IT') specialists to assess the design and operating effectiveness of the key IT controls relating to revenue recognition and in particular: <ul style="list-style-type: none"> <li>• Tested the IT controls over appropriateness of revenue reports generated by the system;</li> </ul> </li> <li>3. Verified samples on test check basis that the revenue recognized is in accordance with the applicable Indian Accounting Standard, including: <ul style="list-style-type: none"> <li>• Verification of the underlying agreements and documents to ensure appropriate identification of performance obligations, determination and allocation of transaction price (based on management estimate) basis the relevant performance obligation and that each party's rights and obligations regarding the goods or services to be transferred and payment terms are identified and contracts have commercial substance;</li> <li>• We performed test of details and tested on a sample basis contracts and documents for unearned revenue and amounts included in contract assets.</li> <li>• We tested the arithmetical accuracy of the calculation of accrual of export benefits and prevailing discount on e-Scrips.</li> </ul> </li> <li>4. Assessed the adequacy and appropriateness of disclosures made in standalone financial statements in compliance with applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ol>

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	<p><b>Impairment of investments in and loans granted to subsidiaries and joint ventures</b></p> <p>Impairment of the Company's investments in and loans granted to subsidiaries and joint ventures and other receivables from subsidiaries and joint ventures (Also refer Note 2.2(o), 4, 6 and 10 to the standalone financial statements)</p> <p>As at March 31, 2024, the Company has investments in and loans granted to subsidiaries and joint ventures amounting of ₹ 45,712.47 crore and of ₹ 14,250.69 crore respectively.</p> <p>The Company accounts for above investments in subsidiaries and joint ventures at cost / amortized cost. As per requirement of Ind AS 36 "Impairment of assets", the management reviews at each reporting period whether there are any indicators of impairment of the investments in subsidiaries and joint ventures and where impairment indicators exist, the management estimates the recoverable amounts of the investments, being higher of fair value less costs of disposal and value in use. The value in use of the underlying businesses is determined based on the discounted cash flow projections. Significant judgements are required to determine the key assumptions used in the discounted cash flow models, such as discount rate, growth rate and future operating and finance cost based on management's view of future business prospects.</p> <p>Considering the materiality of the amount involved, and significant management judgement required for valuation, Impairment of investments in and loans granted to subsidiaries and joint ventures has determined to be a key audit matter in the current year audit.</p>	<p><b>Our audit procedures included the following:</b></p> <ol style="list-style-type: none"> <li>1. We obtained an understanding, assessed and tested the design and operating effectiveness of the Company's key controls related to impairment evaluation process.</li> <li>2. We evaluated the cash flow forecasts by comparing them to the approved budgets and our understanding of the internal and external factors. We also assessed the reasonableness of the forecasts by comparing the same to past results and other supporting evidence.</li> <li>3. We obtained and involved valuation specialist to assess the sensitivity analysis made by the management on key assumptions used for impairment assessment.</li> <li>4. We compared the carrying values of the investments and loans to subsidiaries with their respective net assets values and earnings for the period.</li> <li>5. We have tested the mathematical accuracy of the cash flow projections and fair valuation computation;</li> <li>6. We evaluated the disclosures made in the standalone financial statements for compliance with the requirement of Ind AS 36 'Impairment of Assets'.</li> </ol>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report and Management Discussion and Analysis but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the

other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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. As described in the Basis for Qualified Opinion section above, pending outcome of the Securities and Exchange Board of India's ("SEBI") investigations, we are unable to comment on the possible consequential effect thereof on any of the periods presented in the standalone financial statements and whether the Company has complied with any applicable laws and regulations. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the standalone financial statements.

## Other Matters

- a) We did not audit the financial statements of 1 branch included in the standalone financial statements of the Company, whose financial statements reflect total assets of ₹ 11.54 crore as at March 31, 2024 and total revenues of ₹ 13.29 crore for the year ended on that date, as considered in the financial statements of this branch. The financial statements of this branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.

This branch is located outside India whose financial statements has been prepared in accordance with the accounting principles generally accepted in their respective country and which has been audited by branch auditor under generally accepted auditing standards applicable in their respective country. The Company's Management has converted the financial statements of such branch located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India.

These conversion adjustments have not been audited. Our opinion on the financial statements, in so far as it relates to the financial statements of such branch located outside India is based on the report of branch auditor and the conversion adjustments prepared by the Management of the Company. In our opinion and according to the information and explanations given to us by the Management, this financial statement is not material to the Company.

- b) The standalone financial statements of the Company for the year ended March 31, 2023, were audited by another auditor. They had modified their report dated May 30, 2023 with respect to matter as described in Basis for Qualification Opinion section above.

Our opinion is not modified in respect of these matters.

## 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 the "Annexure B" a statement on the matter specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and except, for the possible effect of the matter described in the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) 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 and proper returns adequate for the purposes of our audit have been received from the branch not visited by us, except for the possible effects of the matter described in the Basis of Qualified Opinion section above and for the matters stated in the paragraph 2(j) (vi) below on reporting under rule 11(g).
- (c) The reports on the accounts of the branch office of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us.
- (e) Except for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (f) The matter described in Basis of Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (g) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (h) The reservation relating to the maintenance of accounts and other matters connected there with are as stated in the Basis for Qualified Opinion paragraph above and as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(j)(vi) below on reporting under Rule 11(g).
- (i) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 33 to the standalone financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 42(a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 42(b) to the standalone financial statements, 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, except for the possible effects of the matters described in the Basis for Qualified Opinion section above, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of

the Act to the extent it applies to declaration of dividend. (Refer Note 13 to the standalone financial statements)

vi. Reporting on Audit Trail:

Based on our examination which included test checks, the Company has used various accounting software(s) for maintaining its revenue records and transactions for the year ended March 31, 2024, which did not have a feature of recording audit trail (edit log) facility.

Also, based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, that was enabled at the application and the database level. Further, the audit trail facility has been operated throughout the year for all relevant transactions recorded in the accounting software, except for certain direct changes to data when using certain access rights at the application level in respect of which the audit trail facility has not operated throughout the year and also at the database level in respect of which the audit trail facility has not operated for most part of the year, for all relevant transactions recorded in this accounting software. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with. Refer Note 49 to the standalone financial statements.

3. In our opinion and according to information and explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Samip Shah**

Partner

Membership No. 128531

UDIN: 24128531BKFFVC1214

Place: Ahmedabad

Date: May 02, 2024

## Annexure A to the Independent Auditor's Report on even date on the Standalone Financial Statements of Adani Ports and Special Economic Zone Limited for the year ended

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgement 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director'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.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the branch which is included in the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such branch included in the standalone financial statements of which we are the independent auditors. For the other branch included in the standalone financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone

financial statements for the year ended March 31, 2024 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Samip Shah**

Partner

Membership No. 128531

UDIN: 24128531BKFFVC1214

Place: Ahmedabad

Date: May 02, 2024

## Annexure B to Independent Auditors' Report of even date on the Standalone Financial Statements of Adani Ports and Special Economic Zone Limited for the year ended March 31, 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us, Property, Plant and Equipment and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company as at the balance sheet date, except for the following:

Description of Property	Gross carrying value in the standalone financial statements (₹ In crore)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Reclaimed land located at the South and West Port admeasuring 1093.53 Hectares	180.18	NA	NA	NA	The said land pertains to reclaimed land at the Mundra Port for which land allotment is being processed by Government of Gujarat (GOG). (Refer note 3(a) (viii) of standalone financial statements)

- (d) According to the information and explanations given to us, 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 provisions stated in clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Prohibition of Benami Property Transaction Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions stated in clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) According to the information and explanation given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crore in aggregate from Banks/financial institutions on the basis of security of current assets.

As per the information and explanation given to us, the Company is not required to file quarterly returns / statements with such Banks / financial institutions.

- iii. (a) According to the information and explanation provided to us, the Company has provided loans, stood guarantee and provided security to Subsidiaries, Joint Ventures and Others and details of which are as follows:

(₹ in crore)

	Loans	Guarantees	Security <sup>^</sup>
<b>Aggregate amount granted / provided during the year:</b>			
- Subsidiaries	13,133.04	4,139.03	-
- Joint Ventures	-	183.30	-
- Others	-	-	-
<b>Balance Outstanding as at balance sheet date in respect of above cases:</b>			
- Subsidiaries	14,252.00	11,410.45	1,038.37*
- Joint Ventures	204.76	1,584.47	32.57 <sup>@</sup>
- Others	33.00	-	-

\* Against the security provided, the outstanding loans as at March 31, 2024 is 93.75 crore.

@ Against the security provided, the outstanding loans as at March 31, 2024 is 334.47 crore.

<sup>^</sup> It represents the carrying value of securities created in the books of account as at March 31, 2024. It only includes the securities given for the borrowings of other entities and does not include the value of subservient charge.

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided, securities given and grant of all loans are not prejudicial to the interest of the Company.
- (c) (i) In case of the loans, schedule of repayment of principal and payment of interest have been stipulated. Except for following, the borrowers have been regular in the repayment of the principal and payment of interest. The details of the same are follows:

Name of the entity	Amount (₹ in crore)	Due Date	Date of Payment	Extent of delay	Remarks, if any
Adani Murmugao Port Terminal Private Limited	29.61	31-03-2023	Various dates	29 – 161 days	Pertains to interest accrued
Adani Kandla Bulk Terminal Private Limited	6.54	31-03-2023	17-04-2023	17 days	
Adani Ennore Container Terminal Private Limited	12.75	31-03-2023	Various dates	13 – 42 days	

- (ii) In case of the loans which are repayable on demand, during the year, the Company has not demanded such loans. Having regard to the fact that the repayment of principal or payment of interest, wherever applicable, has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular (Refer reporting under Clause (iii)(f) below).
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loan granted to companies.
- (e) According to the information and explanation provided to us, there were no loans or advance in the nature of loan granted which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the

overdues of existing loans or advances in the nature of loan given to the same parties. For the purpose of this reporting, renewal, extension or fresh loan granted after it becomes overdue has only be considered.

- (f) According to the information and explanation provided to us, the Company has not granted any loans and / or advances in the nature of loans, including to promoters or related parties as defined in clause (76) of section 2 of the Act either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the provisions stated under clause 3(iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested and accordingly, the requirement to report on clause 3(iv) of the Order with respect to section 185 of the Companies Act, 2013 is not applicable to the Company. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013, to the extent applicable.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order is

not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.

- vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the services of the Company. Accordingly, the provisions stated under clause 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.
- There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub clause (a) above which have not been deposited as on March 31, 2024 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded (₹ In crore)	Amount Paid (₹ In crore)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Custom Duty	2.00	-	June, 2008	High Court of Gujarat
		0.19	0.05*	July, 2003	Assistant Commissioner of Customs, Mundra
Finance Act, 1994	Service Tax	11.21	4.50*	December, 2004 to March, 2006	Supreme Court
		173.63	-	April, 2004 to September, 2011	High Court of Gujarat
		0.61	-	September, 2009 to March, 2010	Commissioner of Service Tax, Ahmedabad
		500.34	-	October, 2011 to March, 2017	Commissioner/ Additional, Commissioner of Service Tax, Ahmedabad
		6.72	-	April, 2004 to August, 2009	High Court of Gujarat
		0.17	-	April, 2009 to March, 2011	Commissioner of Service Tax, Ahmedabad

Name of the statute	Nature of dues	Amount Demanded (₹ In crore)	Amount Paid (₹ In crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.28	-	AY 2011-12	Income Tax Appellate Tribunal
		28.75	24.00 <sup>#</sup>	AY 2017-18 to AY 2018-19 and AY 2022-23	Commissioner of Income Tax (Appeal)
		4.04	-	AY 2017-18 to AY 2020-21	Commissioner of Income Tax (Appeal)

\*This amount includes the amount paid under proof of protest.

<sup>#</sup>Adjusted against the refund of subsequent years.

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income tax Assessment of the Company. Accordingly, the provision stated in clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanation given to us and on an overall examination of the standalone 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 or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. Accordingly, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of fully paid non-cumulative redeemable preference shares during the year and the requirements of Section 42 and Section 62 of the Act, have been complied with. The amount raised has been used for the purposes for which they were raised.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.
- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of

- Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in clause 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. Except for the possible effects of the matters described in the Basis for Qualified Opinion section of our audit report on the standalone financial statements, according to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable 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) We have considered internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in clause 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the reporting under clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated in clause 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been resignation of the statutory auditors during the year, there were no issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 29 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance

that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule

VII of the Act or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the Act. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.

- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

Place: Ahmedabad  
Date: May 02, 2024

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Samip Shah**  
Partner  
Membership No. 128531  
UDIN: 24128531BKFFVC1214

## ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

[Referred to in paragraph 2(i) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Adani Ports and Special Economic Zone Limited on the Financial Statements for the year ended March 31, 2024]

### 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 with reference to standalone financial statements of Adani Ports and Special Economic Zone Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Qualified Opinion

In our opinion, except for the possible effects of the material weakness described in Basis for Qualified Opinion section below on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements as at March 31, 2024, and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2024, based on the internal control with reference to standalone financial statements 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) (the "Guidance Note").

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2024, and we have issued a qualified opinion on the standalone financial statements of the Company.

### Basis for Qualified Opinion

According to the information and explanations given to us, based on our audit, and pending outcome of the SEBI investigation as explained in the 'Basis of Qualified opinion' of our Independent Auditors' report, the Company does not have an internal control system for identifying and confirming related party relationships, which could potentially result in non-compliance with laws and regulations.

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

### Management and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal

financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

### Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and

dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Samip Shah**

Partner

Membership No. 128531

UDIN: 24128531BKFFVC1214

Place: Ahmedabad

Date: May 02, 2024

# Balance Sheet

as at March 31, 2024

₹ in crore

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3 (a)	9,672.56	9,734.44
Right-of-Use assets	3 (b)	263.04	344.25
Capital Work-in-Progress	3 (e)	809.50	637.71
Goodwill	3 (d)	44.86	44.86
Other Intangible Assets	3 (c)	60.63	66.18
<b>Financial Assets</b>			
Investments	4	46,022.24	44,810.74
Loans	6	13,155.06	10,200.06
Other Financial Assets			
- Bank Deposits having maturity over twelve months	11	0.20	0.81
- Other Financial Assets other than above	7	3,124.63	3,330.89
Deferred Tax Assets (net)	27	654.88	1,280.05
Other Non-Current Assets	8	1,307.30	2,496.94
		<b>75,114.90</b>	<b>72,946.93</b>
<b>Current Assets</b>			
Inventories	9	87.77	79.11
<b>Financial Assets</b>			
Investments	10	102.82	1,161.98
Trade Receivables	5	1,242.55	1,017.09
Customers' Bills Discounted	5	-	257.05
Cash and Cash Equivalents	11	346.77	65.44
Bank Balances other than Cash and Cash Equivalents	11	3,407.86	1,964.73
Loans	6	1,128.63	693.52
Other Financial Assets	7	1,006.31	1,012.15
Other Current Assets	8	317.80	333.25
		<b>7,640.51</b>	<b>6,584.32</b>
<b>Assets Held for Sale</b>	45	-	194.76
<b>Total Assets</b>		<b>82,755.41</b>	<b>79,726.01</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	432.03	432.03
Other Equity	13	28,922.13	28,270.66
<b>Total Equity</b>		<b>29,354.16</b>	<b>28,702.69</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	43,676.90	44,061.70
Lease Liabilities	15	99.33	123.33
Other Financial Liabilities	16	39.15	47.04
Provisions	20	6.27	11.58
Other Non-Current Liabilities	17	393.50	456.96
		<b>44,215.15</b>	<b>44,700.61</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	6,025.40	3,203.73
Customers' Bills Discounted	18	-	257.05
Lease Liabilities	15	5.29	5.36
Trade Payables	19		
- total outstanding dues of micro enterprises and small enterprises		31.63	15.98
- total outstanding dues of creditors other than micro enterprises and small enterprises		467.62	562.81
Other Financial Liabilities	16	1,533.75	1,178.93
Other Current Liabilities	17	1,101.78	1,076.90
Provisions	20	20.63	21.95
		<b>9,186.10</b>	<b>6,322.71</b>
<b>Total Liabilities</b>		<b>53,401.25</b>	<b>51,023.32</b>
<b>Total Equity And Liabilities</b>		<b>82,755.41</b>	<b>79,726.01</b>

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For MSKA & Associates**

Chartered Accountants  
Firm Registration Number : 105047W

**Samip Shah**

Partner  
Membership No : 128531

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

**Gautam S. Adani**

Chairman  
DIN : 00006273

**Karan Adani**

Managing Director  
DIN : 03088095

**Ashwani Gupta**

Wholetime Director & CEO  
DIN : 10455435

**D. Muthukumaran**

Chief Financial Officer

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad  
Date : May 02, 2024

Date : May 02, 2024

# Statement of Profit and Loss

for the year ended March 31, 2024

₹ in crore

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from Operations	21	6,806.66	5,237.15
Other Income	22	1,977.36	2,998.79
<b>Total Income</b>		<b>8,784.02</b>	<b>8,235.94</b>
<b>EXPENSES</b>			
Operating Expenses	23	1,398.84	1,119.91
Employee Benefits Expense	24	332.93	294.70
Finance Costs	25		
Interest and Bank Charges		2,766.78	2,769.50
Derivative Gain (net)		(3.80)	(89.11)
Foreign Exchange Loss (net)		451.49	2,446.14
Depreciation and Amortisation Expense	3	655.59	612.98
Other Expenses	26	650.27	551.89
<b>Total Expenses</b>		<b>6,252.10</b>	<b>7,706.01</b>
<b>Profit Before Exceptional items and Tax</b>		<b>2,531.92</b>	<b>529.93</b>
Exceptional Items	45	-	(1,558.16)
<b>Profit/(Loss) Before Tax</b>		<b>2,531.92</b>	<b>(1,028.23)</b>
<b>Tax Expense/(Credit)</b>	27		
Current tax		178.39	46.12
Deferred tax		615.18	(594.92)
<b>Total Tax Expense/(Credit)</b>		<b>793.57</b>	<b>(548.80)</b>
<b>Profit/(Loss) for the year</b>	(A)	<b>1,738.35</b>	<b>(479.43)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement Gain/(Loss) on defined benefit plans		1.96	(0.90)
Income tax impact		(0.69)	0.31
		<b>1.27</b>	<b>(0.59)</b>
Net (Loss)/Gain on FVTOCI Equity Investments	4(d)	(12.33)	7.85
Income tax impact		4.25	(0.69)
		(8.08)	7.16
<b>Total Other Comprehensive (Loss)/Income (net of tax)</b>	(B)	<b>(6.81)</b>	<b>6.57</b>
<b>Total Comprehensive Income/(Loss) for the year (net of tax)</b>	(A)+(B)	<b>1,731.54</b>	<b>(472.86)</b>
<b>Earnings per Share - (Face value of ₹ 2 each)</b>			
Basic and Diluted (in ₹)	28	8.05	(2.22)

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For MSKA & Associates**

Chartered Accountants

Firm Registration Number : 105047W

**Samip Shah**

Partner

Membership No : 128531

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

**Gautam S. Adani**

Chairman

DIN : 00006273

**Karan Adani**

Managing Director

DIN : 03088095

**Ashwani Gupta**

Wholetime Director & CEO

DIN : 10455435

**D. Muthukumaran**

Chief Financial Officer

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad

Date : May 02, 2024

Date : May 02, 2024

# Statement of Changes in Equity

for the year ended March 31, 2024

₹ in crore

Particulars	Equity Share Capital	Equity Component Of Non-Cumulative Redeemable Preference Shares	Share Pending Issuance	Other Equity						Total	
				Securities Premium	Capital Reserve	Debtore Redemption Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings		Other Comprehensive Income
<b>Balance As At April 1, 2022</b>	422.47	166.53	3,605.26	6,135.64	(72.43)	632.74	2,812.13	7.84	16,104.45	196.65	30,011.28
Loss for the year	-	-	-	-	-	-	-	-	(479.43)	-	(479.43)
<b>Other Comprehensive Income</b>											
Re-Measurement Loss on Defined Benefit Plans (Net of Tax)	-	-	-	-	-	-	-	-	(0.59)	-	(0.59)
Net Gain on FVTOCI Equity Investments (Net of Tax)	-	-	-	-	-	-	-	-	-	7.16	7.16
<b>Total Comprehensive (Loss)/ Income for the year</b>	-	-	-	-	-	-	-	-	(480.02)	7.16	(472.86)
Issue of Equity Shares pursuant to Composite Scheme of Arrangement (Refer Note 41)	9.56	-	(3,605.26)	3,595.70	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	(1,056.19)	-	(1,056.19)
Deemed Investment for Consideration paid for Acquisition of Non Controlling Interest ("NCI") (Refer Note 4) (K)	-	-	-	-	-	-	-	-	220.46	-	220.46
Transfer to General Reserve	-	-	-	-	-	(41.17)	41.17	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	-	109.88	-	-	(109.88)	-	-
<b>Balance as at March 31, 2023</b>	432.03	166.53	-	9,731.34	(72.43)	701.45	2,853.30	7.84	14,678.82	203.81	28,702.69
Profit for the Year	-	-	-	-	-	-	-	-	1,738.35	-	1,738.35

# Statement of Changes in Equity

for the year ended March 31, 2024

₹ in crore

Particulars	Equity Share Capital	Other Equity						Reserve And Surplus				Total	
		Equity Component Of Non-Cumulative Redeemable Preference Shares	Share Pending Issuance	Securities Premium	Capital Reserve	Debenture Redemption Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Other Comprehensive Income			
<b>Other Comprehensive Income</b>													
Re-Measurement Gain on Defined Benefit Plans (Net of Tax)	-	-	-	-	-	-	-	-	-	-	1.27	-	1.27
Net Loss on FVTOCI Equity Investments (Net of Tax)	-	-	-	-	-	-	-	-	-	-	-	(8.08)	(8.08)
<b>Total Comprehensive Income/ (Loss) for the year</b>	-	-	-	-	-	-	-	-	-	-	<b>1,739.62</b>	<b>(8.08)</b>	<b>1,731.54</b>
Dividend	-	-	-	-	-	-	-	-	-	-	(1,080.07)	-	(1,080.07)
Transfer to General Reserve	-	-	-	-	-	-	-	-	108.33	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	-	-	-	-	133.95	-	(133.95)	-	-
<b>Balance as at March 31, 2024</b>	<b>432.03</b>	<b>166.53</b>	<b>-</b>	<b>9,731.34</b>	<b>(72.43)</b>	<b>727.07</b>	<b>2,961.63</b>	<b>7.84</b>	<b>15,204.42</b>	<b>195.73</b>	<b>29,354.16</b>		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For MSKA & Associates**

Chartered Accountants

Firm Registration Number : 105047W

**Samip Shah**

Partner

Membership No : 128531

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

**Gautam S. Adani**

Chairman

DIN : 00006273

**Karan Adani**

Managing Director

DIN : 03088095

**Ashwani Gupta**

Wholesale Director & CEO

DIN : 10455435

**D. Muthukumar**

Chief Financial Officer

**Kamlesh Bhagia**

Company Secretary

Date : May 02, 2024

Place : Ahmedabad

Date : May 02, 2024

## Statement of Cash Flows

for the year ended March 31, 2024

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash Flows from Operating Activities</b>		
Net Profit/(Loss) before Tax	2,531.92	(1,028.23)
Adjustments for :		
Depreciation and Amortisation Expense	655.59	612.98
Unclaimed Liabilities / Excess Provision Written Back	(22.25)	(0.86)
Cost of assets transferred under Finance Lease	0.19	3.67
Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(63.27)	(63.01)
Gain on fair valuation of Financial Instruments	(5.31)	(7.49)
Financial Guarantees Income	(11.14)	(8.54)
Amortisation of Government Grant	(0.09)	(0.10)
Finance Costs	2,766.78	2,769.50
Derivative Gain (net)	(3.80)	(89.11)
Effect of exchange rate change	445.74	2,330.29
Allowance for Doubtful Inter Corporate Deposits (net), Interest and Investment (refer note 45)	-	1,558.16
Interest Income	(1,565.89)	(1,878.82)
Dividend Income	(209.46)	(1,010.19)
Net gain on sale of Current Investment	(0.18)	(10.91)
Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
(Gain)/Loss on Sale / Discard of Property, Plant and Equipment (net)	(0.89)	0.62
<b>Operating Profit before Working Capital Changes</b>	<b>4,519.66</b>	<b>3,179.68</b>
Adjustments for :		
Increase in Trade Receivables	(225.46)	(143.20)
(Increase)/Decrease in Inventories	(8.66)	0.22
Increase in Financial Assets	(327.33)	(335.65)
Decrease/(Increase) in Other Assets	22.20	(123.00)
(Decrease)/Increase in Provisions	(4.67)	7.58
(Decrease)/Increase in Trade Payables	(79.39)	118.67
Decrease in Financial Liabilities	(8.96)	(153.35)
Increase in Other Liabilities	24.89	40.34
<b>Cash Generated from Operations</b>	<b>3,912.28</b>	<b>2,591.29</b>
Direct Taxes (Paid)/Refund (Net)	(169.12)	122.74
<b>Net Cash Generated from Operating Activities (A)</b>	<b>3,743.16</b>	<b>2,714.03</b>
<b>B. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment (Including capital work-in-progress, other Intangible assets, capital advances and capital creditors)	(608.38)	(2,539.42)
Proceeds from Sale of Property, Plant and Equipment	1.78	0.92
Investments made in Subsidiaries/Joint Ventures/others	(4,504.84)	(8,620.85)
Redemption of Investment in Subsidiary	2,731.00	1,000.00
Refund of deposit / Capital Advance given against Capital Commitments	1,817.43	777.00
Loans / Inter Corporate Deposits (ICDs) given	(12,633.18)	(24,975.27)
Loans / Inter Corporate Deposits (ICDs) received back	9,861.16	24,970.10
(Deposits in)/Redemption of Deposit from Bank (net) (including margin money deposits)	(1,442.52)	1,368.16
Redemption of Financial Instruments (net)	1,131.73	-
Proceeds from Divestment Business Undertaking	-	1,461.00
(Investment in)/Proceeds from sale of Current Investments (net)	(27.12)	10.91
Dividend Received	209.46	1,010.19
Interest Received	1,469.57	1,512.28
<b>Net Cash Used in Investing Activities (B)</b>	<b>(1,993.91)</b>	<b>(4,024.98)</b>

# Statement of Cash Flows

for the year ended March 31, 2024

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>C. Cash Flows from Financing Activities</b>		
Proceeds from Non-Current Borrowings	12,114.79	12,895.27
Repayment of Non-Current Borrowings	(10,063.12)	(10,095.06)
Repayment of Current Borrowings (net)	(55.50)	(2,690.00)
Interest & Finance Charges Paid	(2,368.71)	(2,588.99)
Repayment of lease liabilities	(4.82)	(4.90)
(Loss)/Gain on settlement / cancellation of derivative contracts	(10.88)	87.78
Payment of Dividend on Equity and Preference Shares	(1,079.68)	(1,055.75)
<b>Net Cash Used in Financing Activities (C)</b>	<b>(1,467.92)</b>	<b>(3,451.65)</b>
<b>D. Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>281.33</b>	<b>(4,762.60)</b>
<b>E. Cash and Cash Equivalents at the Beginning of the Year</b>	<b>65.44</b>	<b>4,828.04</b>
<b>F. Cash and Cash Equivalents at the End of the Year (refer note 11)</b>	<b>346.77</b>	<b>65.44</b>
<b>Components of Cash &amp; Cash Equivalents (refer note 11)</b>		
Cash on Hand	0.07	0.04
Balances with Banks		
- In Current Accounts	141.05	65.40
- In Fixed Deposit Accounts	205.65	-
<b>Cash and Cash Equivalents at the end of the year</b>	<b>346.77</b>	<b>65.44</b>

Summary of material accounting policies refer note 2.2

## Notes:

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

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For MSKA & Associates**

Chartered Accountants

Firm Registration Number : 105047W

**Samip Shah**

Partner

Membership No : 128531

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

**Gautam S. Adani**

Chairman

DIN : 00006273

**Karan Adani**

Managing Director

DIN : 03088095

**Ashwani Gupta**

Wholetime Director & CEO

DIN : 10455435

**D. Muthukumaran**

Chief Financial Officer

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad

Date : May 02, 2024

Date : May 02, 2024

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 1 Corporate information

The financial statements comprise financial statements of Adani Ports and Special Economic Zone Limited ("the Company" or "APSEZL") (CIN : L63090GJ1998PLC034182) for the year ended March 31, 2024. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad-382421.

The Company is in the business of development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Port at Mundra. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional port terminals and south port terminal infrastructure facilities which are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years period effective from February 17, 2001. At Mundra, the Company has expanded port infrastructure facilities at West Basin through GoG approval for which the concession period will be effective till the year 2040, primarily to handle coal cargo. The said supplementary concession agreement is in the process of getting signed with GoG and GMB although Coal terminal at Wandh is recognized as commercially operational w.e.f. February 01, 2011.

The first Container Terminal facility (CT-1) developed at Mundra, was transferred under a Sub-Concession Agreement entered on January 7, 2003 between Mundra International Container Terminal Limited (MICTL) and the Company in line with the Concession Agreement, wherein the ownership of the asset (CT 1) was transferred by the Company to the MICTL. MICTL was given rights to handle container cargo at the CT 1 Terminal for a period that was co-terminus with the Concession Agreement of Mundra Port, i.e. till February 16, 2031. The container terminal facilities developed at South Port location include CT-3, for development of which the Company had entered into an agreement with the Adani International Container Terminal Private Limited (AICTPL), a 50:50 Joint Venture between the Company and Mundi Limited (subsidiary of (Mediterranean Shipping Company) MSC shipping line). AICTPL is a sub-concessionaire as per the arrangement and the ownership of the CT 3 Terminal is transferred to AICTPL in line with the Sub-Concession Agreement dated October 17, 2011. The period of the said Sub-Concession Agreement is also co-terminus with the Concession Agreement of Mundra Port, and during the said period AICTPL can handle container cargo at CT 3 terminal. In the financial year 2017-18, Sub-Concession Agreement was entered into for the extension of CT 3 Terminal. This terminal, an extension of CT 3 was developed and ownership of the same was also transferred to AICTPL in line with the above. Operations commenced at CT 3 Extension w.e.f. November 01, 2017.

As part of South Port, the third Container Terminal is CT 4, the ownership of this terminal is also transferred after development to a sub-concessionaire in line with the Mundra Concession Agreement; who in this case is Adani CMA Mundra Terminal Private Limited (ACMTPL), a 50:50 Joint Venture between the Company and CMA Terminals, France (joint venture agreement dated July 30, 2014). The company has already obtained sub-concessionaire approval from GMB/GoG for container terminals that are developed and operated under sub-concession route. However, the Sub-Concession Agreements for Terminals of CT 3, CT 3 Extension and CT 4 are to be approved by GOG for the final signing between parties and GMB as confirming party.

The Multi Product Special Economic Zone developed at Mundra by the Company along with port infrastructure facilities is approved by the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 and subsequently amended from time to time till date. The Company has also set up Free Trade and Warehousing Zone at Mundra based on approval of Ministry of Commerce and Industry vide letter no.F.1/16/2011-SEZ dated January 04, 2012. The Company has also set up additional Multi Product Special Economic Zone at Mundra Taluka over an area of 1,856 hectares as per approval from Ministry of Commerce and Industry vide approval letter dated April 24, 2015. The Company has received single notification consolidating all three notified SEZ in Mundra vide letter dated March 15, 2016 of Ministry of Commerce and Industry, Department of Commerce (SEZ Section).

The financial statements were authorised for issue in accordance with a resolution of the directors on May 02, 2024.

# Notes to the Standalone Financial Statements

for the year ended March 31, 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 (w) 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 crore and all values are rounded off to two decimal (₹ 00,00,000), except when otherwise indicated.

## 2.2 Summary of Material Accounting Policy Information

### a) Current versus non-current classification

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## Transactions and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of transaction.

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

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 and for non recurring fair value measurement, such as an assets under the scheme of business undertaking.

External valuers are involved for valuation of significant assets, such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities. Involvement of external valuers

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

is decided upon annually by the Management and in specific cases after discussion with and approval by the Company's Audit Committee. 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 34.2 and 2.3)
- Quantitative disclosures of fair value measurement hierarchy (refer note 34.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 34.1)

## d) Revenue recognition

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.

### 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 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 other income in the statement of profit and loss.

## Dividends

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

## 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.

Waterfront royalty on cargo under the concession agreement is paid at concessional rate in terms of rate prescribed by Gujarat Maritime Board (GMB) and notified in official gazette of Government of Gujarat, wherever applicable.

## f) Taxes

Tax expense comprises of current income tax and deferred tax.

### Current income tax

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

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

### 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 (i) is not a business combination (ii) at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and (iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax is not recognised 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 (i) is not a business combination (ii) at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and (iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

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 realised 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 charged to statement of profit or loss as incurred.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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

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

Depreciation 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 and assessment made by expert. The identified component of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Assets	Estimated Useful life
Leasehold Land Development	Over the balance period of Concession Agreement and approved Supplementary Concession Agreement by Gujarat Maritime board as applicable
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement
Dredging Pipes - Plant and Machinery	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Equipment	4 Years and 10 Years respectively
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Machinery	6 Years
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Drains & Culverts	25 Years as per concession agreement
Carpeted Roads – Other than RCC	10 Years
Tugs	20 Years as per concession agreement

At the end of the sub-concession agreement and supplementary concession agreement, all contracted immovable and movable assets shall be transferred to and shall vest in Gujarat Maritime Board ('GMB') for consideration equivalent to the Depreciated Replacement Value (the 'DRV'). Currently DRV is not determinable, accordingly, residual value of contract asset is considered to be the carrying value based on depreciation rates as per management estimate/ Schedule II of the Companies Act, 2013 at the end of concession period.

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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

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

## h) Intangible assets

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 either finite or indefinite.

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

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

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

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

Intangible Assets	Method of Amortisation	Estimated Useful life
Software applications	on straight line basis	5 Years based on management estimate
Railway License	on straight line basis	35 Years based on validity of license

## 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 arising on translation of monetary items denominated in foreign currencies.

## 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## Company as a lessee

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

### i) Right-of-Use Assets

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

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

### ii) Lease Liabilities

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

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

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

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

## Company as a lessor

### Income from long term leases

As a part of its business activity, the Company leases / sub-leases certain assets on long term basis to its customers. Leases are classified as finance lease whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease. In some

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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 realisable value. Cost is determined on a moving weighted average basis. Cost of stores and spares lying in bonded warehouse includes custom duty payable.

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

Net Realisable 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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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.

Goodwill is tested for impairment annually as at every year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually 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

### General

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

### Operational Claim provisions

Provisions for operational claims are recognised when the service is provided to the customer. Further recognition is based on historical experience. The initial estimate of operational claim related cost is revised annually.

## 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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.

### 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.

This 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 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.

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For 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.

Investments in subsidiaries and joint ventures are accounted for at cost less impairment, if any.

## 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.

## 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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

## Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits and bank balances.
- b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)
- c) Lease receivables under Ind As 116
- 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 Ind As 116

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.

## 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 the Standalone Financial 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 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.

### Loans and borrowings

After initial recognition at fair value, 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 company 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 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.

## 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) 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.

## r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks & 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

**s) Cash dividend to equity holders of the company**

The Company recognises a liability for payment of dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**t) 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 for 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.

**u) Business Combination**

Business Combination has been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes fair value of any contingent considerations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at the fair value on the date of acquisition.

Transaction costs that the Company incurs in connection with a business combination are expensed as incurred.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect their fair values or recognise any new assets or liabilities. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve and presented separately from other capital reserves.

If the initial accounting for a business combination is incomplete by the end of reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

**v) Non-current Assets held for sale**

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## w) Amended standards 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 103 – Business Combinations
3. Ind AS 109 – Financial Instruments
4. Ind AS 107 – Financial Instruments - Disclosures
5. Ind AS 115 – Revenue from Contracts with Customers
6. Ind AS 1 – Presentation of Financial Statements
7. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
8. Ind AS 12 - Income Taxes
9. Ind AS 34 – Interim Financial Reporting

## 2.3 Significant accounting judgements, 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) Judgements

In the process of applying the accounting policies, management has made the following judgements, which has the most significant effect on the financial statements:

#### (i) Entities in which the Company holds less than a majority of voting rights (de facto control):-

- a) The Company owns 49% ownership interest in Dholera Infrastructure Private Limited ("DIPL"). The Company has entered into an agreement with the other shareholders of the DIPL basis which the directors of the Company have assessed that it has the practical ability to direct the relevant activities of DIPL unilaterally and therefore Company has control over DIPL and considered as subsidiary.
- b) The Company along with its subsidiary owns 49% ownership interest in Mundra Solar Technopark Private Limited. The Company took control over business against outstanding receivables from the said entity. The Company also exercises control over board of the said entity pursuant to a shareholder agreement consequential to which the Company has considered as subsidiary.
- c) The Company along with its subsidiary owns 48.97% ownership interest in Mundra LPG Terminal Private Limited ("MLTPL"). Considering the further Investment in equity instrument, the Company has obtained management and operational control of MLTPL from April 2022 and the same has been considered as subsidiary.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## (B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when 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. Refer note 4(b).

### 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 27.

### 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 34 for further disclosures.

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 3. Property, Plant and Equipment, Right-of-Use assets, Other Intangible Assets, Goodwill and Capital Work-in-Progress

### Note 3(a) Property, Plant and Equipment

₹ In crore

Particulars	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Leasehold Land Development	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Wagons	Tugs and Boats	Project Assets	Total
<b>Cost</b>														
As At April 1, 2022	641.15	2,245.74	117.86	342.28	108.41	3,596.11	192.30	24.69	2,676.06	1,920.10	-	18.46	1,028.95	12,912.11
Additions	42.94	71.76	10.70	15.94	22.03	396.84	5.46	194.55	20.24	0.17	457.18	1.62	38.40	1,277.83
Deductions/Adjustment	(0.01)	(2.81)	(7.42)	-	(1.16)	(96.75)	-	(6.84)	-	-	(457.18)	-	(0.65)	(572.82)
Exchange Difference	-	-	-	-	-	-	-	-	-	-	-	-	(0.47)	(0.47)
<b>As At March 31, 2023</b>	<b>684.08</b>	<b>2,314.69</b>	<b>121.14</b>	<b>358.22</b>	<b>129.28</b>	<b>3,896.20</b>	<b>197.76</b>	<b>212.40</b>	<b>2,696.30</b>	<b>1,920.27</b>	<b>-</b>	<b>20.08</b>	<b>1,066.23</b>	<b>13,616.65</b>
Additions	35.01	77.65	22.60	140.37	7.62	109.82	2.71	54.90	3.61	0.83	674.04	7.92	88.87	1,225.95
Deductions/Adjustment	-	(28.26)	(24.14)	-	(9.02)	(70.20)	(0.37)	(2.11)	-	(3.81)	(674.04)	-	(4.07)	(816.02)
<b>As At March 31, 2024</b>	<b>719.09</b>	<b>2,364.08</b>	<b>119.60</b>	<b>498.59</b>	<b>127.88</b>	<b>3,935.82</b>	<b>200.10</b>	<b>265.19</b>	<b>2,699.91</b>	<b>1,917.29</b>	<b>-</b>	<b>28.00</b>	<b>1,151.03</b>	<b>14,026.58</b>
<b>Accumulated Depreciation</b>														
As At April 1, 2022	-	626.91	67.43	113.35	66.36	1,292.62	60.85	15.11	303.99	233.75	-	11.40	582.69	3,374.46
Depreciation For The Year	-	76.55	19.20	16.91	18.45	238.26	19.83	5.41	53.64	41.31	-	1.47	73.01	564.04
Deductions/Adjustment	-	(1.34)	(7.42)	-	(1.16)	(39.23)	-	(6.72)	-	-	-	-	(0.42)	(56.29)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 3. Property, Plant and Equipment, Right-of-Use assets, Other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd...)

₹ In crore

Particulars	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Leasehold Land Development	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Wagons	Tugs and Boats	Project Assets	Total
As At March 31, 2023	-	702.12	79.21	130.26	83.65	1,491.65	80.68	13.80	357.63	275.06	-	12.87	655.28	3,882.21
Depreciation For The Year	-	74.94	20.24	19.98	19.63	248.29	20.09	29.63	54.08	40.94	0.42	1.76	79.09	609.09
Deductions/ Adjustment	-	(28.11)	(24.05)	-	(9.02)	(65.67)	(0.37)	(2.11)	-	(3.81)	(0.42)	-	(3.72)	(137.28)
As At March 31, 2024	-	748.95	75.40	150.24	94.26	1,674.27	100.40	41.32	411.71	312.19	-	14.63	730.65	4,354.02
<b>Net Block</b>														
As At March 31, 2023	684.08	1,612.57	41.93	227.96	45.63	2,404.55	117.08	198.60	2,338.67	1,645.21	-	7.21	410.95	9,734.44
As At March 31, 2024	719.09	1,615.13	44.20	348.35	33.62	2,261.55	99.70	223.87	2,288.20	1,605.10	-	13.37	420.38	9,672.56

- i) Depreciation of ₹ 0.74 crore (previous Year ₹ 0.56 crore) relating to the project assets has been allocated to Capitalisation / Capital Work in progress.
- ii) Plant and Equipment includes cost of Water Pipeline amounting to ₹ 3.37 crore (Gross) (previous year ₹ 3.37 crore), accumulated depreciation ₹ 3.01 crore (previous year ₹ 2.87 crore) which is constructed on land not owned by the Company.
- iii) Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹ 180.18 crore (Gross) (previous year ₹ 180.18 crore), accumulated depreciation ₹ 80.20 crore (previous year ₹ 71.53 crore).  
The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.
- iv) Reclaimed land measuring 1093.53 hectare are pending to be registered in the name of the Company.
- v) Project Assets includes dredgers and earth moving equipments.
- vi) Free Hold and Lease Hold Land includes Land given on Operating Lease Basis:  
Gross Block as at March 31, 2024 : ₹ 6.71 crore (previous year : ₹ 6.71 crore)  
Accumulated Depreciation as at March 31, 2024 : ₹ 0.53 crore (previous year : ₹ 0.47 crore)  
Net Block as at March 31, 2024 : ₹ 6.18 crore (previous year : ₹ 6.24 crore)
- vii) Refer footnote to note 14 and 18 for security / charges created.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 3. Property, Plant and Equipment, Right-of-Use assets, Other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd...)

viii) Following is the details of immovable properties not held in the name of the Company:

₹ in crore

Relevant line items in the Balance sheet	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter or director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipment	Reclaimed Land	180.18	NA	NA	NA	Reclaimed land allotment is being processed by Government of Gujarat (GOG).

### Note 3(b) Right-of-use assets

₹ in crore

Particulars	Land	Building	Total
<b>Cost</b>			
<b>As at April 1, 2022</b>	<b>378.66</b>	<b>60.42</b>	<b>439.08</b>
Deductions/Adjustment	(0.09)	-	(0.09)
<b>As at March 31, 2023</b>	<b>378.57</b>	<b>60.42</b>	<b>438.99</b>
Additions	1.99	-	1.99
Deductions/Adjustment	(68.62)	-	(68.62)
<b>As at March 31, 2024</b>	<b>311.94</b>	<b>60.42</b>	<b>372.36</b>
<b>Accumulated Depreciation</b>			
<b>As at April 1, 2022</b>	<b>50.09</b>	<b>16.98</b>	<b>67.07</b>
Depreciation for the year	22.06	5.66	27.72
Deductions/Adjustment	(0.05)	-	(0.05)
<b>As at March 31, 2023</b>	<b>72.10</b>	<b>22.64</b>	<b>94.74</b>
Depreciation for the year	18.75	5.66	24.41
Deductions/Adjustment	(9.83)	-	(9.83)
<b>As at March 31, 2024</b>	<b>81.02</b>	<b>28.30</b>	<b>109.32</b>
<b>Net Block</b>			
As at March 31, 2023	306.47	37.78	344.25
<b>As at March 31, 2024</b>	<b>230.92</b>	<b>32.12</b>	<b>263.04</b>

- (i) As a part of concession agreement for development of port and related infrastructure at Mundra, the Company has been allotted land on lease basis by Gujarat Maritime Board (GMB) which is included in above value of land. The Company has recorded rights in the GMB Land at present value of future annual lease payments in the books and classified the same as Right-of-Use assets.
- (ii) Refer footnote to note 14 and 18 for security / charges created.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 3. Property, Plant and Equipment, Right-of-Use assets, Other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd...)

#### Note 3(c) Other Intangible Assets

			₹ In crore
Particulars	Software	Railway License	Total
<b>Cost</b>			
<b>As at April 1, 2022</b>	<b>149.79</b>	<b>5.00</b>	<b>154.79</b>
Additions	3.81	-	3.81
Deductions/Adjustment	(1.25)	-	(1.25)
<b>As at March 31, 2023</b>	<b>152.35</b>	<b>5.00</b>	<b>157.35</b>
Additions	17.30	-	17.30
Deductions/Adjustment	(38.13)	-	(38.13)
<b>As at March 31, 2024</b>	<b>131.52</b>	<b>5.00</b>	<b>136.52</b>
<b>Accumulated Amortisation</b>			
<b>As at April 1, 2022</b>	<b>70.19</b>	<b>0.45</b>	<b>70.64</b>
Amortisation for the year	21.64	0.14	21.78
Deductions/Adjustment	(1.25)	-	(1.25)
<b>As at March 31, 2023</b>	<b>90.58</b>	<b>0.59</b>	<b>91.17</b>
Amortisation for the year	22.68	0.15	22.83
Deductions/Adjustment	(38.11)	-	(38.11)
<b>As at March 31, 2024</b>	<b>75.15</b>	<b>0.74</b>	<b>75.89</b>
<b>Net Block</b>			
As at March 31, 2023	61.77	4.41	66.18
<b>As at March 31, 2024</b>	<b>56.37</b>	<b>4.26</b>	<b>60.63</b>

i) Refer footnote to note 14 and 18 for security / charges created.

#### Note 3(d) Goodwill

			₹ In crore
Particulars	March 31, 2024	March 31, 2023	
Carrying value at the beginning	44.86	44.86	
<b>Carrying value at the end</b>	<b>44.86</b>	<b>44.86</b>	

i) Goodwill arising on amalgamation of Adani Ports Limited, acquired through business combination pertains to cash generating units (CGUs) which are part of 'Port and SEZ' activities segment. The goodwill is tested for impairment annually. As at March 31, 2024 and March 31, 2023 the goodwill is not impaired.

The recoverable amount of the CGUs are determined from value-in-use calculation. The key assumptions for the value-in-use calculations are those regarding the discount rate, growth rates and expected changes to direct costs during the year. Management estimates discount rate using pre-tax rates that reflect current market assessments of the time value of money. The growth rate are based on management's forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. The Company prepares its forecasts based on the most recent financial budget approved by management with projected revenue growth rates. The management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount. Goodwill is attributable to future growth of business out of synergies.

ii) Refer footnote to note 14 and 18 for security / charges created.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 3. Property, Plant and Equipment, Right-of-Use assets, Other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd...)

### Note 3(e) Capital Work-in-Progress (CWIP)

Particulars	₹ in crore	
	March 31, 2024	March 31, 2023
<b>Opening</b>	<b>637.71</b>	<b>614.08</b>
Additions	1,415.04	1,305.27
Capitalised during the year	(1,243.25)	(1,281.64)
<b>Closing</b>	<b>809.50</b>	<b>637.71</b>

(i) Refer footnote to note 14 and 18 for security / charges created.

### Capital Work-in-Progress (CWIP) Ageing

As at March 31, 2024

Particulars	₹ in crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	573.78	177.11	15.10	43.51	809.50
<b>Total</b>	<b>573.78</b>	<b>177.11</b>	<b>15.10</b>	<b>43.51</b>	<b>809.50</b>

As at March 31, 2023

Particulars	₹ in crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	465.80	79.67	19.09	73.15	637.71
<b>Total</b>	<b>465.80</b>	<b>79.67</b>	<b>19.09</b>	<b>73.15</b>	<b>637.71</b>

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

There are no temporarily suspended projects.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 4 Non - Current Investments

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Unquoted</b>		
<b>In Equity Shares of Company [(Investment at fair value through OCI) (refer note (d) below)]</b>		
16,42,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹ 10 each of Kutch Railway Company Limited	384.72	282.85
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Dhamra LPG Terminal Private Limited	0.05	0.05
Nil (previous year 10,00,000) fully paid Equity Shares of ₹ 10 each of Karaikal Port Private Limited (refer note (j) below)	-	1.00
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of NQXT Port Pty Limited (formerly known as Mundra Port Pty Limited)	*-	*-
<b>Total FVTOCI Investment</b>	<b>384.77</b>	<b>283.90</b>
<b>In Equity Shares of subsidiaries (valued at cost)</b>		
65,50,00,000 (previous year 65,50,00,000) fully paid Equity Shares of ₹ 10 each of Adani Logistics Limited (refer note (e) below)	739.51	739.51
25,61,53,846 (previous year 25,61,53,846) fully paid Equity Shares of ₹ 10 each of Adani Petronet (Dahej) Port Limited (Formerly known as Adani Petronet (Dahej) Port Private Limited)	256.15	256.15
24,50,000 (previous year 24,50,000) fully paid Equity Shares of ₹ 10 each of Mundra SEZ Textile and Apparel Park Private Limited	2.45	2.45
4,50,00,000 (previous year 4,50,00,000) fully paid Equity Shares of ₹ 10 each of Karnavati Aviation Private Limited (refer note (e) below)	62.95	62.95
11,58,88,500 (previous year 11,58,88,500) fully paid Equity Shares of ₹ 10 each of Adani Murmugao Port Terminal Private Limited (refer note (b) (ii) below)	115.89	115.89
35,00,000 (previous year 35,00,000) fully paid Equity Shares of ₹ 10 each of Mundra International Airport Limited (Formerly known as Mundra International Airport Private Limited) (refer note (e) below)	3.86	3.86
71,54,70,000 (previous year 71,54,70,000) fully paid Equity Shares of ₹ 10 each of Adani Hazira Port Limited (refer note (a) below) (Formerly known as Adani Hazira Port Private Limited)	715.47	715.47
10,12,80,000 (previous year 10,12,80,000) fully paid Equity Shares of ₹ 10 each of Adani Vizag Coal Terminal Private Limited (refer note (b) (i) below)	101.28	101.28
12,00,50,000 (previous year 12,00,50,000) fully paid Equity Shares of ₹ 10 each of Adani Kandla Bulk Terminal Private Limited (refer note (c) below)	120.05	120.05
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Warehousing Services Limited (Formerly known as Adani Warehousing Services Private Limited)	0.05	0.05

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 4 Non - Current Investments (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
3,00,000 (previous year 3,00,000) fully paid Equity Shares of ₹ 10 each of Adani Hospitals Mundra Limited (Formerly known as Adani Hospitals Mundra Private Limited ) (refer note (e) below)	0.72	0.72
31,50,00,000 (previous year 31,50,00,000) fully paid Equity Shares of ₹ 10 each of Adani Ennore Container Terminal Private Limited (refer note (m) below)	315.00	315.00
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited )	0.05	0.05
13,50,50,000 (previous year 13,50,50,000) fully paid Equity Shares of ₹ 10 each of Shanti Sagar International Dredging Limited (Formerly known as Shanti Sagar International Dredging Private Limited) (refer note (e) below)	142.40	142.40
89,70,00,000 (previous year 89,70,00,000) fully paid Equity Shares of ₹ 10 each of Adani Vizhinjam Port Private Limited (refer note (e) below)	907.00	907.00
114,80,00,000 (previous year 114,80,00,000 ) fully paid Equity Shares of ₹ 10 each of The Dhamra Port Company Limited (refer note (a) and (e) below)	2,811.22	2,811.22
1,01,000 (previous year 1,01,000) fully paid Equity Shares of AUD 1 each of Abbot Point Operations Pty Limited (refer note (e) below)	12.84	12.84
5,76,92,155 (previous year 5,76,92,155) fully paid Equity Shares of ₹ 10 each of Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Limited)	106.26	106.26
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Madurai Infrastructure Limited (Formerly known as Madurai Infrastructure Private Limited)	0.05	0.05
11,850 (previous year 11,850) fully paid Equity Shares of ₹ 100 each of Adinath Polyfills Private Limited	38.51	38.51
4,900 (previous year 4,900) fully paid Equity Shares of ₹ 10 each of Dholera Infrastructure Private Limited	*-	*-
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Ports Technologies Private Limited (Formerly known as Mundra International Gateway Terminal Private Limited)	0.05	0.05
38,80,00,000 (previous year 38,80,00,000) fully paid Equity Shares of ₹ 10 each of Marine Infrastructure Developer Private Limited	388.00	388.00
8,85,76,159 (previous year 8,85,76,159) fully paid Equity Shares of ₹ 10 each of Adani Krishnapatnam Port Limited ("AKPL") (Formerly known as Krishnapatnam Port Company Limited) (refer note (e) and (k) below)	6,414.47	6,414.47
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Mundra Crude Oil Terminal Limited (Formerly known as Mundra Crude Oil Terminal Private Limited)	0.05	0.05

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 4 Non - Current Investments (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
5,50,000 (previous year 5,50,000) fully paid Equity Shares of ₹ 10 each of Mundra Solar Technopark Private Limited	0.56	0.56
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Container Terminal Limited (Formerly known as Adani Pipelines Private Limited)	0.05	0.05
1,10,50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of HDC Bulk Terminal Limited	11.05	0.05
5,53,409 (previous year 5,53,409) fully paid Equity Shares of BDT 10 each of Adani Bangladesh Ports Private Limited	0.47	0.47
6,000 (previous year 6,000) fully paid Equity Shares of USD 1 each of Anchor Port Holding Pte Limited (Formerly known as Adani Mundra Port Holding Pte Limited)	0.04	0.04
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Gangavaram Port Limited (Formerly known as Adani Gangavaram Port Private Limited)	0.05	0.05
10,000 (previous year 10,000) fully paid Equity Shares of ₹ 10 each of Aqua Desilting Private Limited	0.01	0.01
1,23,05,000 (previous year 1,23,05,000) fully paid Equity Shares of USD 1 each of Adani International Ports Holdings Pte Limited	101.25	101.25
10,00,000 (previous year 10,00,000) fully paid Equity Shares of ₹ 10 each of Gangavaram Port Services (India) Limited (Formerly known as Gangavaram Port Services (India) Private Limited)	1.00	1.00
20,00,01,983 (previous year 20,00,01,983) fully paid Equity Shares of ₹ 10 each of Adani Tracks Management Services Limited (Formerly known as Adani Tracks Management Services Private Limited)	4,895.76	4,895.76
9093,00,70,000 (previous year 8673,00,70,000) fully paid Equity Shares of NIS 0.01 each of Mediterranean International Ports A.D.G.D Limited	2,132.31	2,038.46
10,00,000 (previous year 10,00,000) fully paid Equity Shares of ₹ 10 each of Dighi Port Limited	1.00	1.00
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Mundra LPG Terminal Private Limited	0.05	0.05
10,00,000 (previous year 10,00,000) fully paid Equity Shares of ₹ 10 each of Adani Bulk Terminals (Mundra) Limited (Formerly known as Adani Agri Logistics (Bathinda) Limited)	0.04	0.04
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Tajpur Sagar Port Limited	0.05	0.05
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Aviation Fuels Limited	0.05	0.05
10,00,000 (previous year Nil) fully paid Equity Shares of ₹ 10 each of Karaikal Port Private Limited (refer note (j) below)	1.00	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 4 Non - Current Investments (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
25,00,000 (previous year Nil) fully paid Equity Shares of ₹ 10 each of Udanvat Leasing IFSC Limited (refer note (l) below)	2.50	-
9,60,000 (previous year 9,60,000) fully paid Equity Shares of ₹ 10 each of Adani Container Manufacturing Limited (Formerly known as Adani Cargo Logistics Limited)	1.16	1.16
	<b>20,402.68</b>	<b>20,294.33</b>
<b>In Equity Shares of joint ventures (valued at cost)</b>		
32,22,31,817 (previous year 32,22,31,817) fully paid Equity Shares of ₹ 10 each of Adani International Container Terminal Private Limited (refer note (e) below)	341.03	341.03
5,93,78,278 (previous year 5,93,78,278) fully paid Equity Shares of ₹ 10 each of Adani CMA Mundra Terminal Private Limited (refer note (a) and (e) below)	63.86	63.86
50,09,72,175 (previous year 49,48,28,289) fully paid Equity Shares of ₹ 10 each of Indianoil Adani Ventures Limited (Formerly known as Indian Oiltanking Limited)	1,180.72	1,164.75
5,26,27,778 (previous year 5,26,27,778) fully paid Equity Shares of ₹ 10 each of IOT Utkal Energy Services Limited	39.09	39.09
	<b>1,624.70</b>	<b>1,608.73</b>
<b>Investment in Non-Cumulative Convertible Debentures of subsidiary (valued at cost) (refer note (i) below)</b>		
245,70,00,000 (previous year 245,70,00,000) 0.01% Non Cumulative Compulsory Convertible Debentures of ₹ 10 each of The Dhamra Port Company Limited	2,457.00	2,457.00
<b>Investment in Perpetual Non-Cumulative Non-convertible Debentures of subsidiaries (valued at cost) (refer note (f) below)</b>		
Nil (previous year 120,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹ 10 each of The Dhamra Port Company Limited	-	1,200.00
50,00,00,000 (previous year 50,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹ 10 each of Adani Logistics Limited	500.00	500.00
40,00,000 (previous year 40,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹ 10 each of Adani Hospitals Mundra Private Limited	4.00	4.00
70,00,000 (previous year 70,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹ 10 each of Mundra International Airport Limited	7.00	7.00
18,50,00,000 (previous year 18,50,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹ 10 each of Karnavati Aviation Private Limited	185.00	185.00
110,00,00,000 (previous year 110,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹ 10 each of Marine Infrastructure Developer Private Limited	1,100.00	1,100.00

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 4 Non - Current Investments (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Investment in Perpetual Debt of subsidiaries (valued at cost) (refer note (f) below)</b>		
Adani Logistics Limited	11,084.13	6,958.78
Adani Vizhinjam Port Private Limited	1,581.75	1,581.75
Madurai Infrastructure Limited	239.37	239.04
Marine Infrastructure Developer Private Limited	500.00	500.00
Adani Ennore Container Terminal Private Limited	-	500.00
Dighi Port Limited	988.60	897.37
Mundra SEZ Textile and Apparel Park Private Limited	25.00	25.00
Adani Ports Technologies Private Limited	0.06	0.04
Karnavati Aviation Private Limited	115.00	115.00
Mundra Crude Oil Terminal Limited	564.08	544.70
<b>Investment in Compulsory Convertible Participatory Preference Shares of subsidiary (valued at cost)</b>		
68,00,07,962 (previous year 68,00,07,962) Compulsory Convertible Participatory Preference Shares of ₹ 10 each of Adani Krishnapatnam Port Limited	924.49	924.49
<b>Investment in Optionally Convertible Debentures of subsidiary (valued at cost)</b>		
28,65,88,700 (previous year 43,65,88,700) 0.01% Optionally Convertible Debentures of ₹ 100 each of Adani Gangavaram Port Limited (refer note (i) below)	2,865.89	4,365.89
<b>Investment in Compulsory Convertible Debentures of subsidiary (valued at cost)</b>		
1,28,79,640 (previous year 1,28,79,640) Compulsory Convertible Debentures of ₹ 100 each of Adani Tracks Management Services Limited	152.00	152.00
<b>Investment in Non Convertible Redeemable Debentures of subsidiaries (valued at Amortised Cost)</b>		
4,000 (previous year 4,750) 6.25 % Non Convertible Redeemable Debentures of ₹ 10,00,000 each of Adani Vizhinjam Port Private Limited (refer note 10)	400.00	475.00
250 (previous year Nil) 10 % Non Convertible Redeemable Debentures of ₹ 10,00,000 each of HDC Bulk Terminal Limited	25.00	-
	<b>46,130.52</b>	<b>44,919.02</b>
Impairment for Investment in Adani Vizag Coal Terminal Private Limited (refer note (b)(i) below)	(101.28)	(101.28)
Provision for Diminution in value of Perpetual Non-Convertible Debentures of Mundra International Airport Limited	(7.00)	(7.00)
	<b>46,022.24</b>	<b>44,810.74</b>

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 4 Non - Current Investments (Contd...)

### Notes:

- a) Number of Shares pledged with banks against borrowings by the respective companies are as per below.

Particulars	No of Shares Pledged	
	March 31, 2024	March 31, 2023
<b>Subsidiary Companies</b>		
(i) Adani Hazira Port Limited	19,50,00,000	19,50,00,000
(ii) The Dhamra Port Company Limited	34,44,00,000	34,44,00,000
<b>Joint Venture</b>		
(i) Adani CMA Mundra Terminal Private Limited	3,02,82,922	3,02,82,922
	<b>56,96,82,922</b>	<b>56,96,82,922</b>

- b) (i) Adani Vizag Coal Terminal Private Limited ("AVCTPL"), a wholly owned subsidiary of the Company is engaged in Port services under concession agreement with Visakhapatnam Port Trust ("VPT"). During the previous year, AVCTPL and VPT had initiated termination on mutual consent as per right under the concession agreement citing force majeure events, which went for arbitration. Both the parties have filed the claim with arbitrators and the final outcome is yet to be decided.

During the year ended on March 31, 2022, the arbitration tribunal, in its interim order, observed that terminal remaining idle leads to its deterioration and fails to generate any revenue. Hence, terminal should be put to operation without any delay and has directed VPT to release an ad-hoc interim payment to AVCTPL. Based on such directions, ad-hoc payment of ₹ 155 crore has been received against handing over the possession, management and operational control of the terminal, leaving open all rights and contentions of both parties for examination at a later stage. Company has reassessed the carrying values of its loan and equity investment in AVCTPL in light of the aforesaid developments and has continued to carry these balances at values net of impairment provisions amounting to ₹ 297.38 crore (₹ 228.85 crore net of tax).

- (ii) The carrying amounts of long-term investments in equity shares of Adani Murmugao Port Terminal Private Limited ("AMPTPL") amounts to ₹ 115.89 crore as at March 31, 2024 and non-current loans given to AMPTPL amounts to ₹ 445.75 crore as at March 31, 2024. The Company has been providing financial support to AMPTPL to meet its financial obligations as and when required in the form of loans, which are recoverable at the end of the concession period. AMPTPL was undergoing an arbitration with Murmugao Port Trust ("MPT") for revenue share on deemed storage charges and loss of return of capital to AMPTPL due to failure of MPT to fulfil obligations as per concession agreement for a period till financial year 2018-19. Post financial year 2018-19, AMPTPL has received relief in terms of rationalized tariff on storage charges up to March 2021 from authorities and had filed application for similar relief for subsequent year and awaiting approval. During the previous year, the arbitration had been concluded which affirmed partial claim of AMPTPL for the loss of return on capital and also upheld revenue share on deemed storage for three-year period. In earlier years, AMPTPL had made provision of ₹ 134.61 crore for the revenue share on deemed storage charges against which ₹ 40.50 crore would have been payable as per the arbitration order. Both the parties have challenged the arbitration order in commercial court in the month of August 2022 and the same are currently pending. Considering the matter being sub-judice at this stage, no adjustments based on arbitration order has been considered in the current financial statements.

The Company has determined the recoverable amounts of its investments and loans in AMPTPL as at March 31, 2024 by considering a discounted cash flow model. Such determination is based on significant estimates & judgements made by the management as regards the benefits of the

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 4 Non - Current Investments (Contd...)

rationalization of revenue share on storage income, cargo traffic, port tariffs, inflation, discount rates which have been considered over the remaining concession period and are considered reasonable by the Management. On a careful evaluation of the aforesaid factors, the Company's management has concluded that no provision for impairment in respect of such investments and loans is considered necessary at this stage.

- c) During the year 2016-17, the Company had accounted for purchase of 3,12,13,000 numbers of equity shares of Adani Kandla Bulk Terminal Private Limited at consideration of ₹ 31.21 crore. The equity shares have been purchased from the Adani Enterprises Limited, a group company whereby this entity has become a wholly owned subsidiary. As per the management, the transfer has been recorded based on Irrevocable Letter of Affirmation dated March 31, 2017 from the seller and acceptance by the Company although legal transfer of equity share of Adani Kandla Bulk Terminal Private Limited is still in process at year end.

- d) Reconciliation of Fair value measurement of the investment in unquoted equity shares

Particulars	March 31, 2024	March 31, 2023
<b>Opening Balance</b>	<b>283.90</b>	<b>275.05</b>
Addition during the year	114.20	-
Fair value (loss) / gain recognised in Other Comprehensive Income	(12.33)	7.85
Karaikal Port Private Limited (refer note (j))	(1.00)	1.00
<b>Closing Balance</b>	<b>384.77</b>	<b>283.90</b>

₹ In crore

- e) Value of Deemed Investment accounted in subsidiaries and joint ventures in terms of fair valuation under Ind AS 109

Particulars	March 31, 2024	March 31, 2023
i) Adani Logistics Limited	84.41	84.41
ii) Karnavati Aviation Private Limited	17.95	17.95
iii) Mundra International Airport Limited	0.36	0.36
iv) Adani Hospitals Mundra Limited	0.42	0.42
v) Shanti Sagar International Dredging Limited	7.35	7.35
vi) The Dhamra Port Company Limited	68.54	68.54
vii) Abbot Point Operations Pty Limited	12.33	12.33
viii) Adani International Container Terminal Private Limited	11.57	11.57
ix) Adani CMA Mundra Terminal Private Limited	4.48	4.48
x) Adani Vizhinjam Port Private Limited	10.00	10.00
xi) Adani Krishnapatnam Port Limited (Refer note (k) below)	220.46	220.46
	<b>437.87</b>	<b>437.87</b>

₹ In crore

- f) Investment in Perpetual Non-Cumulative Non-convertible Debenture / Perpetual Debt (carrying interest rate of 7.50%) is redeemable / payable at issuer's option, can be deferred indefinitely and Interest is payable at the discretion of issuer. Accordingly, it is considered as equity instrument.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 4 Non - Current Investments (Contd...)

- g) Aggregate amount of unquoted investments as at March 31, 2024 ₹ 46,022.24 crore (previous year ₹ 44,810.74 crore).
- h) On November 10, 2022, the Company completed acquisition of Adani Bulk Terminals (Mundra) Limited from Adani Agri Logistics Limited and Adani Container Manufacturing Limited from Adani Logistics Services Limited.
- i) Interest is payable at the discretion of issuer and conversion ratio is fixed to fixed at the maturity and same is considered as equity instrument.
- j) On March 31, 2023, The National Company Law Tribunal ("NCLT") has passed the order approving the Company ("APSEZ") to be successful resolution applicant for Karaikal Port Private Limited ("KPPL") under Corporate Insolvency Resolution Process ("CIRP") with equity of ₹ 1 crore and debt of ₹ 1,485 crore. During the quarter ended June 30, 2023, subsequent to the formulation of new board of directors, the Company has exercised control over the KPPL and accordingly KPPL has become wholly owned subsidiary w.e.f. April 04, 2023.
- k) In earlier year, AKPL had paid amount towards non-compete fees for acquiring geographical exclusivity for the term of 5 years. As per the provision of Accounting Standards, the Company has reassessed the accounting treatment being transaction linked with acquisition of the remaining stake from NCI for one of the subsidiary. Accordingly, unamortised amount of ₹ 220.46 crore has been considered as deemed investment and adjusted to retained earning.
- l) Udanvat Leasing IFSC Limited has been incorporated as a Wholly Owned Subsidiary of the Company on October 23, 2023.
- m) The Company has entered into Share Purchase Agreement on December 14, 2023 with Mundi Limited, a subsidiary of Terminal Investment Limited and associate of Mediterranean Shipping Company for divestment of 49% stake in Adani Ennore Container Terminal Private Limited a subsidiary of the Company for consideration of ₹ 247 crore. The divestment will be accounted on fulfillment of condition precedents.
- n) The Company has entered into a binding agreement to acquire 95% stake of Gopalpur Port Limited with an enterprise value of ₹ 3,080 crore subject to requisite approvals and conditions precedents.

## 5 Trade Receivables (unsecured, unless otherwise stated)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Trade Receivables</b>		
- Considered Good	1,321.34	1,351.71
Less : Allowances for expected credit loss	(78.79)	(77.57)
	<b>1,242.55</b>	<b>1,274.14</b>
Customers' Bills Discounted (refer note (c) below)	-	257.05
Other Trade Receivables	1,242.55	1,017.09
<b>Total Receivables</b>	<b>1,242.55</b>	<b>1,274.14</b>

Refer note 32 for Related Party Balances

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 5 Trade Receivables (unsecured, unless otherwise stated) (Contd...)

**Notes:**

- No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies in which any director is a partner, a director or a member.
- Generally, as per credit terms trade receivable are collectable within 30-60 days although the Company provide extended credit period with interest between 7.50% to 9% considering business and commercial arrangements with the customers including with the related parties.
- The Carrying amounts of the trade receivables include receivables amounting to ₹ Nil (previous year ₹ 257.05 crore) which are subject to a bills discounting arrangement. Under this arrangement, the Company has transferred the relevant receivables to the bank / financial institution in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account as per the arrangement. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 18.

**d) Trade receivables ageing schedule for March 31, 2024 is as below** ₹ In crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	584.93	655.35	27.21	9.56	2.38	41.91	1,321.34
2	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
3	Allowances for expected credit loss	-	-	-	-	-	-	(78.79)
	<b>Total</b>							<b>1,242.55</b>

**Trade receivables ageing schedule for March 31, 2023 is as below** ₹ In crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	635.27	342.69	160.09	56.82	31.23	125.61	1,351.71
2	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
3	Allowances for expected credit loss	-	-	-	-	-	-	(77.57)
	<b>Total</b>							<b>1,274.14</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 6 Loans

(Unsecured unless otherwise stated)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Loans to Related Parties (refer note 4 (b) (i) &amp; (ii) )</b>				
Considered Good	13,142.06	8,715.06	1,108.63	610.52
Credit impaired	205.01	205.01	-	-
<b>Loans for acquisition</b>				
Considered Good (refer note 4 (j))	-	1,485.00	-	-
<b>Loans to others</b>				
Considered Good	13.00	-	20.00	83.00
	<b>13,360.07</b>	<b>10,405.07</b>	<b>1,128.63</b>	<b>693.52</b>
Less: Allowances for doubtful loans	(205.01)	(205.01)	-	-
	<b>13,155.06</b>	<b>10,200.06</b>	<b>1,128.63</b>	<b>693.52</b>

All the above loans have been given for business purposes.

## 7 Other Financial Assets

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Security deposit (refer note 36 (i))</b>				
Considered Good	198.67	890.41	18.26	16.48
Considered doubtful	-	-	7.27	7.27
	<b>198.67</b>	<b>890.41</b>	<b>25.53</b>	<b>23.75</b>
Less: Allowances for Doubtful Deposit	-	-	(7.27)	(7.27)
	<b>198.67</b>	<b>890.41</b>	<b>18.26</b>	<b>16.48</b>
Advances to Employees	0.93	0.84	2.42	2.19
Lease Receivable (refer note (i) below)	2,903.92	2,351.03	128.00	94.47
Interest Accrued	21.11	88.61	695.94	736.96
Non Trade receivable	-	-	161.00	132.22
Derivatives instruments / Forward Contracts Receivable	-	-	0.69	29.83
	<b>3,124.63</b>	<b>3,330.89</b>	<b>1,006.31</b>	<b>1,012.15</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 7 Other Financial Assets (Contd...)

Note:

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

₹ In crore

Particulars	March 31, 2024		March 31, 2023	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within one year	342.69	212.74	261.95	179.40
After one year but not later than five years	1,407.12	843.83	1,092.53	687.97
More than five years	4,083.90	1,975.35	3,654.54	1,578.13
<b>Total minimum lease receivables</b>	<b>5,833.71</b>	<b>3,031.92</b>	<b>5,009.02</b>	<b>2,445.50</b>
Less: Amounts representing finance charges	(2,801.79)	-	(2,563.52)	-
<b>Present value of minimum lease receivables</b>	<b>3,031.92</b>	<b>3,031.92</b>	<b>2,445.50</b>	<b>2,445.50</b>

### 8 Other Assets

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Capital advances (refer note (a) and (c) below)	848.92	2,034.37	-	-
<b>Advances other than Capital advance</b>				
Advances recoverable other than in cash				
To related party (refer note 32)	-	-	2.82	4.51
To others	-	-	20.99	27.94
<b>Others</b>				
Balance with Government Authorities	4.50	4.50	172.26	124.34
Prepaid Expenses	51.73	60.20	14.09	15.80
Accrued Income	-	-	52.17	54.34
Contract Assets (refer note (b) below)	-	-	55.47	106.32
Taxes recoverable (net of provision) (refer note 27)	402.15	397.87	-	-
	<b>1,307.30</b>	<b>2,496.94</b>	<b>317.80</b>	<b>333.25</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 8 Other Assets (Contd...)

### Notes:

- (a) Capital advances includes ₹ 48.28 crore (previous year ₹ 74.98 crore) paid to various private parties and government authorities towards purchase of land.
- (b) 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.
- (c) Capital advance is net of allowance for doubtful advance of ₹ 10.59 crore (previous year ₹ 10.59 crore).

## 9 Inventories (At lower of cost and Net realisable value)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Stores and Spares, Fuel and Lubricants	87.77	79.11
	<b>87.77</b>	<b>79.11</b>

## 10 Current Investments

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Other Investment</b>		
<b>(Investment valued at fair value through profit and loss)</b>		
Nil units (previous year 1,14,203 units) of Special Infrastructure Investment Scheme of ASSIS (refer note (4) and note (i) below)	-	1,136.98
27,00,000 units (previous year Nil units) Units of Government and Trust Securities (Pledged)	27.82	-
<b>Investment in Non Convertible Redeemable Debentures of subsidiaries</b>		
<b>(valued at Amortised Cost) (refer note (i) below)</b>		
750 (previous year 250) 6.25 % Non Convertible Redeemable Debentures of ₹ 10,00,000 each of Adani Vizhinjam Port Private Limited	75.00	25.00
	<b>102.82</b>	<b>1,161.98</b>
Aggregate carrying value of Special Infrastructure Investment Scheme of ASSIS	-	1,136.98
Aggregate carrying value of Government and Trust Securities	27.82	-
Aggregate carrying value of unquoted investment in Debentures	75.00	25.00

### Note

- i) Reclassified from Non Current to Current Investment.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 11 Cash and Bank Balances

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Cash and Cash Equivalents</b>				
<b>Balances with banks:</b>				
Balance in current accounts	-	-	141.05	65.40
Deposits with original maturity of less than three months	-	-	205.65	-
Cash on hand	-	-	0.07	0.04
	-	-	<b>346.77</b>	<b>65.44</b>
<b>Other Bank Balances</b>				
In Current Accounts (earmarked for Unpaid Dividend)	-	-	2.78	2.40
Margin Money Deposits (refer note below)	0.20	0.81	3,405.08	1,962.33
	<b>0.20</b>	<b>0.81</b>	<b>3,407.86</b>	<b>1,964.73</b>
Amount disclosed under Non - Current Financial Assets in Balance Sheet	(0.20)	(0.81)	-	-
	-	-	<b>3,754.63</b>	<b>2,030.17</b>

**Note:** Margin Money Deposits (net of overdraft facilities of ₹ Nil (Previous year ₹ 3,352.65 crore)) aggregating to ₹ 3,405.28 crore (previous year ₹ 1,963.14 crore) are pledged / lien against bank guarantees, letter of credit and other credit facilities.

## 12 Share Capital

₹ In crore

Particulars	March 31, 2024	March 31, 2023
<b>Authorized share capital</b>		
<b>Equity share capital</b>		
10,47,50,00,000 (previous year 10,47,50,00,000) Equity Shares of ₹ 2 each	2,095.00	2,095.00
<b>Preference Share Capital</b>		
50,00,000 (previous year 50,00,000) Non-Cumulative Redeemable Preference shares of ₹ 10 each	5.00	5.00
	<b>2,100.00</b>	<b>2,100.00</b>
<b>Issued, subscribed and fully paid-up share capital</b>		
2,16,01,38,945 (previous year 2,16,01,38,945) fully paid up Equity Shares of ₹ 2 each	432.03	432.03
	<b>432.03</b>	<b>432.03</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 12 Share Capital (Contd...)

### a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2024		March 31, 2023	
	No.	₹ In crore	No.	₹ In crore
At the beginning of the year	2,16,01,38,945	432.03	2,11,23,73,230	422.47
Add: Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note (ii) below and (41))	-	-	4,77,65,715	9.56
<b>Outstanding at the end of the year</b>	<b>2,16,01,38,945</b>	<b>432.03</b>	<b>2,16,01,38,945</b>	<b>432.03</b>

#### Notes:

#### i) Terms/rights attached to equity shares

- The Company has only one class of equity share having par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.
- 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.

#### **For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:**

- ii) Aggregate number of 11,83,87,184 (upto March 31, 2023: 11,83,87,184) equity shares of ₹ 2 each have been allotted, Pursuant to Composite Scheme of Arrangement.
- iii) Aggregate number of 3,92,00,000 (upto March 31, 2023: 3,92,00,000) equity shares bought back.

### b) Equity Component of Non-Cumulative Redeemable Preference shares

Particulars	March 31, 2024		March 31, 2023	
	No.	₹ In crore	No.	₹ In crore
At the beginning of the year	25,01,824	166.53	25,01,824	166.53
Movement during the year (Net)	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>25,01,824</b>	<b>166.53</b>	<b>25,01,824</b>	<b>166.53</b>

#### i) Terms of Non-Cumulative Redeemable Preference shares

During the current year, the Company has redeemed 25,01,824 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹ 10 each at a premium of ₹ 990 per share and issued 25,01,824 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹ 10 each at a premium of ₹ 990 per share on private placement basis.

The Company has outstanding 25,01,824 (previous year 25,01,824) 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹ 10 each issued at a premium of ₹ 990 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference share holders. These shares are redeemable at any time at the option of the company within a period not exceeding 7 years from the date of allotment an aggregate premium of ₹ 247.68 crore (previous year ₹ 247.68 crore) (equivalent to ₹ 990.00 per share).

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 12 Share Capital (Contd...)

In the event of liquidation of the Company, the holder of NCRPS (before redemption) will have priority over equity shares in the payment of dividend and repayment of capital. The preference shares carry fixed dividend which is non-discretionary.

The Preference Shares issued by the Company are classified as Financial Liabilities. These preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised as interest expense using the effective interest method.

The equity component of redeemable preference shares includes the securities premium amount received on issue of preference shares and the preference share capital, redemption premium reserve being created in compliance of the Companies Act, 2013.

#### c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2024		March 31, 2023	
	No.	% Holding in the Class	No.	% Holding in the Class
<b>Equity shares of ₹ 2 each fully paid</b>				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	71,07,53,935	32.90%
ii) Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	13,81,93,549	6.40%
iii) Flourishing Trade and Investment Limited	12,44,54,607	5.76%	12,44,54,607	5.76%
iv) Emerging Market Investment DMCC	13,62,35,995	6.31%	*	*
v) Life Insurance Corporation of India	16,97,61,417	7.86%	19,70,26,194	9.12%
* Holding less than 5 %				
<b>Non-Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up</b>				
Priti G. Adani (on behalf of S.B. Adani Family Trust)	15,01,095	60.00%	-	-
Shilin R. Adani (on behalf of S.B. Adani Family Trust)	10,00,729	40.00%	-	-
Priti G. Adani	-	-	5,00,365	20.00%
Shilin R. Adani	-	-	5,00,364	20.00%
Pushpa V. Adani	-	-	5,00,365	20.00%
Ranjan V. Adani	-	-	5,00,455	20.00%
Suvarna M. Adani	-	-	5,00,275	20.00%

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 12 Share Capital (Contd...)

### d) Details of Equity Shares held by Promoter and Promoter Group at the end of the year

As at March 31, 2024

Sr No	Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
1	Gautambhai Shantilal Adani	1	0.00%	-
2	Rajeshbhai Shantilal Adani	30,001	0.00%	-
3	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	-
4	Adani Properties Private Limited	16,85,000	0.08%	-
5	Adani Rail Infra Private Limited	7,06,21,469	3.27%	-
6	Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	-
7	Worldwide Emerging Market Holding Limited	8,60,92,798	3.99%	-
8	Afro Asia Trade and Investments Limited	8,99,45,212	4.16%	-
9	Emerging Market Investment DMCC	13,62,35,995	6.31%	61.84%
10	Flourishing Trade And Investment Limited	12,44,54,607	5.76%	-
11	Gelt Bery Trade And Investment Limited	100	0.00%	-
12	Spitze Trade And Investment Limited	1,23,58,700	0.57%	-
13	Resurgent Trade And Investment Limited	5,30,04,718	2.45%	100.00%
	<b>Total</b>	<b>1,42,33,76,085</b>	<b>65.89%</b>	

As at March 31, 2023

Sr No	Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
1	Gautambhai Shantilal Adani	1	0.00%	-
2	Rajeshbhai Shantilal Adani	30,001	0.00%	100.00%
3	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	(11.08%)
4	Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	-	0.00%	(100.00%)
5	Adani Properties Private Limited	16,85,000	0.08%	-
6	Adani Rail Infra Private Limited	7,06,21,469	3.27%	-
7	Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	-
8	Worldwide Emerging Market Holding Limited	8,60,92,798	3.99%	-
9	Afro Asia Trade and Investments Limited	8,99,45,212	4.16%	-
10	Emerging Market Investment DMCC	8,41,79,195	3.90%	-
11	Flourishing Trade And Investment Limited	12,44,54,607	5.76%	8.74%
12	Gelt Bery Trade And Investment Limited	100	0.00%	100.00%
13	Spitze Trade And Investment Limited	1,23,58,700	0.57%	100.00%
	<b>Total</b>	<b>1,31,83,14,567</b>	<b>61.03%</b>	

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 12 Share Capital (Contd...)

#### e) Details of Non-Cumulative Redeemable Preference Shares held by Promoter and Promoter Group at the end of the year

As at March 31, 2024

Sr No	Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
1	Priti G. Adani (on behalf of S.B. Adani Family Trust)	15,01,095	60.00%	100%
2	Shilin R. Adani (on behalf of S.B. Adani Family Trust)	10,00,729	40.00%	100%
3	Priti G. Adani	-	-	(100%)
4	Shilin R. Adani	-	-	(100%)
	<b>Total</b>	<b>25,01,824</b>	<b>100.00%</b>	

As at March 31, 2023

Sr No	Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
1	Priti G. Adani	5,00,365	20.00%	-
2	Shilin R. Adani	5,00,364	20.00%	-
	<b>Total</b>	<b>10,00,729</b>	<b>40.00%</b>	

### 13 Other Equity

₹ In crore

Particulars	March 31, 2024	March 31, 2023
<b>Share Pending Issuance</b>		
Opening Balance	-	3,605.26
Less: Issue of Equity shares against pending Issuance	-	(3,605.26)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

₹ In crore

Particulars	March 31, 2024	March 31, 2023
<b>Equity Component of Non-Cumulative Redeemable Preference shares</b>		
Opening Balance	166.53	166.53
<b>Closing Balance</b>	<b>166.53</b>	<b>166.53</b>

₹ In crore

Particulars	March 31, 2024	March 31, 2023
<b>Securities Premium</b>		
Opening Balance	9,731.34	6,135.64
Add: Premium on Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note ( 12(a) (ii) and refer note 41)	-	3,595.70
<b>Closing Balance</b>	<b>9,731.34</b>	<b>9,731.34</b>

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 13 Other Equity (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>General Reserve</b>		
Opening Balance	2,853.30	2,812.13
Add: Transfer from Debenture Redemption Reserve	108.33	41.17
<b>Closing Balance</b>	<b>2,961.63</b>	<b>2,853.30</b>

**Note:-** The general reserve is used from time to time to transfer profit from retained earnings for apportionment purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Debenture Redemption Reserve (DRR)</b>		
Opening Balance	701.45	632.74
Add: Transferred from retained earnings	133.95	109.88
Less: Transferred to general reserve	(108.33)	(41.17)
<b>Closing Balance</b>	<b>727.07</b>	<b>701.45</b>

**Note:-** The Company has issued redeemable non-convertible debentures. The Company has been creating Debenture Redemption Reserve (DRR) as per the relevant provisions of the Companies Act 2013. However, according to Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Company is not required to create DRR on any fresh issue of Debentures. Accordingly, the Company has not created DRR on fresh issue of redeemable non-convertible debentures.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Capital Reserve</b>		
Opening Balance	(72.43)	(72.43)
<b>Closing Balance</b>	<b>(72.43)</b>	<b>(72.43)</b>

**Note:-** Capital reserve represents the difference between value of net assets transferred by the Company in the course of composite scheme of arrangement against divestment business undertaking and the consideration received against such arrangement.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Capital Redemption Reserve (CRR)</b>		
Opening Balance	7.84	7.84
<b>Closing Balance</b>	<b>7.84</b>	<b>7.84</b>

**Note:-** As per the Companies Act, 2013, Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 13 Other Equity (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Retained Earnings</b>		
Opening Balance	14,678.82	16,104.45
Add : Profit/(Loss) for the year	1,738.35	(479.43)
Less : Dividend on Shares	(1,080.07)	(1,056.19)
Add : Deemed investment for consideration paid to Non Controlling Interest (refer note (4) (k))	-	220.46
Less :Transfer to Debenture Redemption Reserve	(133.95)	(109.88)
Less : Re-measurement gain/(loss) on defined benefit plans (net of tax)	1.27	(0.59)
<b>Closing Balance</b>	<b>15,204.42</b>	<b>14,678.82</b>

**Note:-** The portion of profit 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 for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Other Comprehensive Income</b>		
Opening Balance	203.81	196.65
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	(8.08)	7.16
<b>Closing Balance</b>	<b>195.73</b>	<b>203.81</b>

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

<b>Total Other Equity</b>	<b>28,922.13</b>	<b>28,270.66</b>
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Distribution made and proposed	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Cash Dividend on Equity Shares declared and paid</b>		
Final Dividend for the year ended March 31, 2023 ₹ 5 per share (Previous year ₹ 5 per share) on 2,16,01,38,945 equity shares (Previous year 2,11,23,73,230 equity shares)	1,080.07	1,056.19
<b>Proposed Dividend on Equity Shares</b>		
Final Dividend for the year ended March 31, 2024 ₹ 6 per share (Previous year ₹ 5 per share)	1,296.08	1,080.07
<b>Cash Dividend on Preference Shares declared and paid</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-
<b>Proposed Dividend on Preference Shares</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-

\*- Figure nullified in conversion of ₹ in crore

Proposed dividend on equity shares are in compliance with relevant section of the Companies Act, 2013 which is subject to approval at the annual general meeting and are not recognised as liability.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 14 Non-Current Borrowings

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Debentures</b>				
15,000 (previous year 15,000) 8.50% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable on April 12, 2030 (refer note (a) below)	1,489.47	1,488.20	-	-
2,520 (previous year 2,520) 9.35% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable on July 04, 2026) (refer note (b) below)	251.73	251.64	-	-
16,000 (previous year 16,000) 7.65% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable ₹ 533.30 crore on October 31, 2025, ₹ 533.30 crore on October 31, 2026 and ₹ 533.40 crore on October 30, 2027) (refer note (c) below)	1,593.63	1,591.45	-	-
10,000 (previous year 10,000) 8.22% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable ₹ 333.34 crore on March 07, 2025, ₹ 333.33 crore on March 07, 2026 and ₹ 333.33 crore on March 08, 2027) (refer note (b) below)	666.66	1,000.00	333.34	-
13,000 (previous year 13,000) 8.24% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable ₹ 433.33 crore on November 29, 2024, ₹ 433.33 crore on November 29, 2025 and ₹ 433.34 crore on November 27, 2026) (refer note (a) below)	866.67	1,300.00	433.33	-
10,000 (previous year 10,000) 6.25% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable at October 18, 2024) (refer note (d) below)	-	991.14	996.76	-
Nil (previous year 9,000) 6.50% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemed during the current year (refer note (a) below)	-	-	-	898.73
Nil (previous year 6,000) 7.25% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemed during the current year (refer note (b) below)	-	-	-	599.74
1,000 (previous year 2,000) 9.35% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable ₹ 100 crore on May 27, 2026) (refer note (a) below)	99.64	99.49	-	99.96
25,000 (previous year Nil) 8.70% Non Convertible Redeemable Debentures of ₹ 1,00,000 each Secured (Redeemable on January 09, 2029 (refer note (e) below)	244.42	-	-	-
25,000 (previous year Nil) 8.80% Non Convertible Redeemable Debentures of ₹ 1,00,000 each Secured (Redeemable on January 09, 2034 (refer note (e) below)	244.42	-	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 14 Non-Current Borrowings (Contd...)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Foreign currency Bonds</b>				
5% Foreign Currency Bond priced at 315.30 basis points over the 20 years US Treasury Note (unsecured) (refer note (g) (vii))	3,703.04	3,645.68	-	-
3.828% Foreign Currency Bond priced at 255 basis points over the 10.50 years US Treasury Note (unsecured) (refer note (g) (vi))	2,473.19	2,432.95	-	-
3.10% Foreign Currency Bond priced at 205.50 basis points over the 10 years US Treasury Note (unsecured) (refer note (g) (v))	4,143.18	4,078.00	-	-
4.375% Foreign Currency Bond priced at 238 basis points over the 10 years US Treasury Note (unsecured) (refer note (g) (ii))	6,226.45	6,126.65	-	-
4.20% Foreign Currency Bond priced at 376 basis points over the 7 years US Treasury Note (unsecured) (refer note (g) (iv))	6,237.55	6,138.19	-	-
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured) (refer note (g) (i))	4,158.39	4,088.21	-	-
3.375% Foreign Currency Bond priced at 150 basis points over the 5 years US Treasury Note (unsecured) (refer note (g) (iii))	-	5,335.15	2,710.95	-
<b>Preference Shares</b>				
Liability Component of 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12 (b))	137.05	125.73	-	-
<b>Term loans</b>				
<b>Rupee Loan</b>				
Inter corporate deposits from subsidiaries (refer note (g) (xi))	10,598.91	5,060.98	-	-
From Bank (Unsecured) (refer note (g) (x))	350.00	-	150.00	-
<b>Foreign currency letters of credit</b>				
From bank (secured) (refer note (f))	59.44	-	-	-
From bank (unsecured) (refer note (g) (viii) & (ix))	133.06	308.24	200.17	-
	<b>43,676.90</b>	<b>44,061.70</b>	<b>4,824.55</b>	<b>1,598.43</b>
<b>The above amount includes</b>				
Secured borrowings	5,516.08	6,721.92	1,763.43	1,598.43
Unsecured borrowings	38,160.82	37,339.78	3,061.12	-
Amount disclosed under the head Current Borrowings (refer note 18)	-	-	(4,824.55)	(1,598.43)
	<b>43,676.90</b>	<b>44,061.70</b>	-	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 14 Non-Current Borrowings (Contd...)

### Notes:

- a) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 2,889.11 crore (previous year ₹ 3,886.38 crore) which are secured by first rank pari-passu charge on all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port
- b) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,251.73 crore (previous year ₹ 1,851.38 crore) which are secured by first rank pari-passu charge on all the movable and immovable Project Assets pertaining to Coal Terminal of the Company located at Wandh, Mundra Port.
- c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,593.63 crore (previous year ₹ 1,591.45 crore) are secured by first rank pari-passu charge on the movable and immovable Project Assets of Multi-Purpose Terminal, Terminal-II and Container Terminal –II of the Company located at Mundra Port and specified assets of one of the Wholly Owned Subsidiary Company.
- d) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 996.76 crore (previous year ₹ 991.14 crore) are secured by first rank Pari-passu charge on Specified Assets of one of the Wholly Owned Subsidiary Company.
- e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 488.84 crore (previous year ₹ Nil) are secured by pari-passu charge on the identified loans and advances and / or receivables arising out of outstanding financial assistance provided by the Company to one of the Subsidiary.
- f) Foreign currency letters of credit / Trade Credits aggregating to ₹ 59.44 crore (previous year ₹ Nil) are secured by subservient charge on certain movable Fixed assets and Current Assets of the Company.
- g) Unsecured Loan
  - (i) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹ 4,158.39 crore (previous year ₹ 4,088.21 crore) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.
  - (ii) 10 years Foreign Currency Bond of USD 750 million equivalent to ₹ 6,226.45 crore (previous year ₹ 6,126.65 crore) carries interest rate at 4.375% p.a. with bullet repayment in the year 2029.
  - (iii) 5 years Foreign Currency Bond of USD 325 million equivalent to ₹ 2,710.95 crore (previous year USD 650 million equivalent to ₹ 5,335.15 crore) carries interest rate at 3.375% p.a. with bullet repayment in the year 2024. USD 325 million has been prepaid during the current year.
  - (iv) 7 years Foreign Currency Bond of USD 750 million equivalent to ₹ 6,237.55 crore (previous year ₹ 6,138.19 crore) carries interest rate at 4.20% p.a. with bullet repayment in the year 2027.
  - (v) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹ 4,143.18 crore (previous year ₹ 4,078 crore) carries interest rate at 3.10% p.a. with bullet repayment in the year 2031.
  - (vi) 10.50 years Foreign Currency Bond of USD 300 million equivalent to ₹ 2,473.19 crore (previous year ₹ 2,432.95 crore) carries interest rate at 3.828% p.a. with bullet repayment in the year 2032.
  - (vii) 20 years Foreign Currency Bond of USD 450 million equivalent to ₹ 3,703.04 crore (previous year ₹ 3,645.68 crore) carries interest rate at 5% p.a. with bullet repayment in the year 2041.
  - (viii) Trade credit facilities of ₹ 312.87 crore (previous year ₹ 308.24 crore). The same is repayable in next year unless maturity date of the same is extended/rolled over.
  - (ix) Foreign currency letters of credit / Trade Credits aggregating to ₹ 20.36 crore (previous year ₹ Nil) are unsecured with bullet repayment in the year 2026.
  - (x) Rupee term loan amounting to ₹ 500 crore (previous year ₹ Nil) carrying interest @ 1 Month T-bill plus spread of 1.26%. The loan is repayable in 6 quarterly structured instalment commencing from April 18, 2024.
  - (xi) Inter Corporate deposits from subsidiaries aggregating to ₹ 10,598.91 crore (previous year ₹ 5,060.98 crore) carries interest rate at 7.50%.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 15 Lease Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Lease Liabilities (refer note (a) and (b))	99.33	123.33	5.29	5.36
	<b>99.33</b>	<b>123.33</b>	<b>5.29</b>	<b>5.36</b>

#### Notes:

- a) Land and Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 15 years to 30 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.
- b) Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows:

₹ In crore

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
<b>March 31, 2024</b>						
Minimum Lease Payments	12.89	51.69	96.93	161.51	(56.89)	104.62
Finance charge allocated to future periods	7.60	26.01	23.28	56.89	-	-
Present Value of MLP	5.29	25.68	73.65	104.62	-	104.62
<b>March 31, 2023</b>						
Minimum Lease Payments	14.82	60.22	128.25	203.29	(74.60)	128.69
Finance charge allocated to future periods	9.46	32.95	32.19	74.60	-	-
Present Value of MLP	5.36	27.27	96.06	128.69	-	128.69

### 16 Other Financial Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Derivatives Instruments	18.58	25.12	15.79	17.87
Capital creditors and retention money	13.53	9.39	136.14	93.66
Other payables (including discounts etc)	-	-	308.36	347.70
Unpaid Dividends #	-	-	2.79	2.40
Interest accrued but not due on borrowings	-	-	1,026.54	677.07
Deposit from Customers	1.72	1.61	41.53	32.09
Financial Guarantees Obligation	5.32	10.92	2.60	8.14
	<b>39.15</b>	<b>47.04</b>	<b>1,533.75</b>	<b>1,178.93</b>

# Not due for credit to "Investors Education & Protection Fund"

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 16 Other Financial Liabilities (Contd...)

### 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

₹ in crore

Particulars	Borrowings and Interest accrued but not due	Lease Liabilities	Unpaid Dividend on Equity and Preference Shares	Derivative Contract	Total
<b>April 1, 2022</b>	<b>45,356.74</b>	<b>133.59</b>	<b>1.96</b>	<b>12.39</b>	<b>45,504.68</b>
Cash Flows	(2,478.78)	(4.90)	(1,055.75)	87.78	(3,451.65)
Foreign Exchange Movement	2,503.28	-	-	-	2,503.28
Charged to statement of Profit and Loss during the year	2,769.50	-	-	(89.11)	2,680.39
Dividend recognised during the year	-	-	1,056.19	-	1,056.19
Customers' Bills discounted during the year	48.81	-	-	-	48.81
<b>March 31, 2023</b>	<b>48,199.55</b>	<b>128.69</b>	<b>2.40</b>	<b>11.06</b>	<b>48,341.70</b>
Cash Flows	(372.54)	(4.82)	(1,079.68)	(10.88)	(1,467.92)
Foreign Exchange Movement	464.63	-	-	-	464.63
Charged to statement of Profit and Loss during the year	2,766.78	-	-	(3.80)	2,762.98
Cancellation of lease	-	(21.23)	-	-	(21.23)
Addition during the year	-	1.98	-	-	1.98
Dividend recognised during the year	-	-	1,080.07	-	1,080.07
Other Adjustments	(72.53)	-	-	-	(72.53)
Customers' Bills discounted during the year	(257.05)	-	-	-	(257.05)
<b>March 31, 2024</b>	<b>50,728.84</b>	<b>104.62</b>	<b>2.79</b>	<b>(3.62)</b>	<b>50,832.63</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 17 Other Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Advance from customers (refer note 40)	-	-	716.00	716.00
Deposit from customers	-	-	13.02	12.47
Statutory liability	-	-	98.77	82.97
Unearned Income under land lease/ Infrastructure usage agreements	392.44	455.70	63.27	63.27
Deferred Income on fair valuation of Deposit taken	0.73	0.84	-	-
Deferred Government Grant (refer note (i) below)	0.33	0.42	-	-
Unearned revenue - others	-	-	69.68	69.65
Contract Liabilities (refer note (ii) below)	-	-	141.04	132.54
	<b>393.50</b>	<b>456.96</b>	<b>1,101.78</b>	<b>1,076.90</b>

#### Notes:

- i) Movement in Deferred Government Grant

₹ In crore

Particulars	March 31, 2024	March 31, 2023
<b>Opening Balance</b>	0.42	0.52
Amortisation during the year (refer note 22)	(0.09)	(0.10)
<b>Closing Balance</b>	<b>0.33</b>	<b>0.42</b>

- ii) 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.

### 18 Current Borrowings

₹ In crore

Particulars	March 31, 2024	March 31, 2023
Short term borrowings from banks (secured) (refer note (a) below)	237.32	336.56
Packing Credit Rupee Loan from bank (unsecured) (refer note (b) below)	-	700.00
Short term borrowings from banks (Unsecured) (refer note (c) below)	190.00	-
Foreign currency letters of credit (secured) (refer note (d) below)	1.04	-
Inter Company deposit from subsidiaries (unsecured) (refer note (e) below)	772.49	568.74
Current maturities of long term borrowings (refer note 14)	4,824.55	1,598.43
	<b>6,025.40</b>	<b>3,203.73</b>
Customers' Bills Discounted (unsecured) (refer note (f) below)	-	257.05
	<b>6,025.40</b>	<b>3,460.78</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 18 Current Borrowings (Contd...)

### Notes:

- Rupee term loan amounting to ₹ 237.32 crore (previous year ₹ 336.56 crore) carrying interest @ Repo Rate plus spread of 1.35%. The loan is repayable in 8 half yearly structured instalment commencing from December 30, 2020. The loan is secured by first rank Pari-passu charge on all the immovable and movable Project Assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. Considering the terms of the loan, same has been classified under current borrowings.
- Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹ 700 crore) carried interest rate of 7.85% p.a.
- Short term loan borrowing amounting to ₹ 190 crore (previous year ₹ Nil) carries interest rate @ 7.75% p.a.
- Foreign currency letters of credit facilities of ₹ 1.04 crore (previous year ₹ Nil ) is secured by subservient charge on certain movable Fixed assets and Current Assets of the Company.
- Inter Company deposit from a subsidiary aggregating to ₹ 772.49 crore (previous year ₹ 568.74) carries interest rate ranging from 7.50% p.a. to 7.85% p.a.
- Factored receivables of ₹ Nil (previous year ₹ 257.05 crore) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 1 to 12 months period (refer note 5).

## 19 Trade Payables

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 35)	31.63	15.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	467.62	562.81
	<b>499.25</b>	<b>578.79</b>
Dues to related parties included in above (refer note 32)	127.60	153.47

Trade payables ageing as on March 31, 2024 is as below

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
			₹ In crore				
1	Undisputed dues - MSME	31.63	-	-	-	-	31.63
2	Undisputed dues - Others	304.09	163.39	0.10	-	0.04	467.62
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>335.72</b>	<b>163.39</b>	<b>0.10</b>	<b>-</b>	<b>0.04</b>	<b>499.25</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Trade payables ageing as on March 31, 2023 is as below

₹ In crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	Undisputed dues - MSME	15.98	-	-	-	-	15.98
2	Undisputed dues - Others	254.47	274.36	25.12	6.95	1.91	562.81
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>270.45</b>	<b>274.36</b>	<b>25.12</b>	<b>6.95</b>	<b>1.91</b>	<b>578.79</b>

## 20 Provisions

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Provision for Employee Benefits</b>				
Provision for Gratuity (refer note 30)	6.27	11.58	-	-
Provision for Compensated Absences	-	-	20.63	21.95
	<b>6.27</b>	<b>11.58</b>	<b>20.63</b>	<b>21.95</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 21 Revenue from Operations

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Revenue from Contract with Customers (refer note (a) below)</b>		
Income from Port Operations (Including Port Infrastructure Services)	6,663.59	4,969.86
	<b>6,663.59</b>	<b>4,969.86</b>
Lease, Upfront Premium and Deferred Infrastructure Income (refer note (b) and (c) below)	143.07	267.29
	<b>6,806.66</b>	<b>5,237.15</b>

### Notes:

- a) Reconciliation of revenue recognised with contract price:

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Contract Price	7,095.05	5,214.50
<b>Adjustment for:</b>		
Refund Liabilities	(384.11)	(303.06)
Change in value of Contract Assets	(50.85)	52.87
Change in value of Contract Liabilities	3.50	5.55
<b>Revenue from Contract with Customers</b>	<b>6,663.59</b>	<b>4,969.86</b>

- b) The Company has given various assets on finance lease to various parties. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Land leases include a clause to enable upward revision of the rental charge upto 3 years upto 20%. The company has also received one-time income of upfront premium ranging from ₹ 2500 to ₹ 4500 per Sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹ 20.12 crore (previous year ₹ 156.35 crore) including upfront premium of ₹ 17.80 crore (previous year ₹ 128.63 crore) accrued under such lease have been booked as income in the statement of profit and loss.

- c) Land given under operating lease:

The Company has given certain land portions on operating lease. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
i) Not later than one year	21.07	20.59
ii) Later than one year and not later than five years	91.07	88.38
iii) Later than five years	301.60	325.37

Company has recognised income from operating leases of ₹ 22.65 crore (previous year ₹ 22.24 crore)

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 22 Other Income

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Interest Income on		
Bank Deposits, Inter Corporate Deposits, Security Deposit etc.	1,281.32	1,689.05
Customers dues	0.44	20.25
Finance Lease	211.60	169.52
Gain on Extinguishment of Liability (Senior Notes)	72.53	-
Dividend income on non current Investments	209.46	1,010.19
Unclaimed liabilities / excess provision written back	22.25	0.86
Business Auxiliary services	65.10	-
Scrap sale	14.60	17.02
Net gain on Sale of Current Investments	0.18	10.91
Profit on sale / discard of Property, Plant and Equipment (net)	0.89	-
Financial Guarantee Income	11.14	8.54
Amortisation of Government Grant (refer note 17 (i))	0.09	0.10
Net gain on Financial Instruments Measured at FVTPL	5.31	-
Miscellaneous Income	82.45	72.35
	<b>1,977.36</b>	<b>2,998.79</b>

### 23 Operating Expenses

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Cargo handling / other charges to Contractors (net of reimbursements)	752.86	605.84
Customer Claims (including Expected Credit Loss)	1.22	19.44
Tug and Pilotage Charges	13.32	8.69
Maintenance Dredging	41.73	15.58
Other expenses including Customs Establishment Charges	4.50	3.53
Repairs to Plant & Equipment	86.00	68.91
Stores & Spares consumed	162.22	130.09
Repairs to Buildings	19.59	10.13
Power & Fuel	104.24	79.76
Waterfront Charges	212.97	174.27
Cost of assets transferred under Finance Lease	0.19	3.67
	<b>1,398.84</b>	<b>1,119.91</b>

### 24 Employee Benefits Expense

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Salaries, Wages and Bonus	288.82	256.63
Contribution to Provident and Other Funds	12.30	11.80
Gratuity Expenses (refer note 30)	4.74	5.50
Staff Welfare Expenses	27.07	20.77
	<b>332.93</b>	<b>294.70</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 25 Finance Costs

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>a) Interest and Bank Charges</b>		
Interest on		
Debentures and Bonds	1,942.17	2,074.76
Loans, Buyer's Credit etc.	800.75	673.59
Lease Liabilities	8.16	9.36
Bank and other Finance Charges	15.70	11.79
	<b>2,766.78</b>	<b>2,769.50</b>
<b>b) Derivative Gain (net)</b>	(3.80)	(89.11)
	<b>2,762.98</b>	<b>2,680.39</b>
<b>c) Foreign Exchange Loss (net)</b>	451.49	2,446.14
	<b>3,214.47</b>	<b>5,126.53</b>

## 26 Other Expenses

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Rent Expenses (refer note (a) below)	2.98	3.31
Rates and Taxes	3.36	-
Insurance	10.49	10.03
Advertisement and Publicity	59.55	23.37
Other Repairs and Maintenance	25.52	23.69
Legal and Professional Expenses	132.39	111.80
Corporate Support Service Fee	124.96	92.69
IT Support Services	20.27	18.94
Payment to Auditors (refer note (b) below)	2.34	2.64
Security Service Charges	23.75	22.63
Communication Expenses	30.62	29.77
Electric Power Expenses	2.92	4.24
Travelling and Conveyance	160.22	139.65
Diminution in Value of Inventory	-	10.00
Directors Sitting Fee	0.59	0.45
Commission to Non-executive Directors	1.02	1.00
Charity & Donations (refer note (c) below)	9.73	37.13
Loss on sale / discard of Property, Plant and Equipment (net)	-	0.62
Net loss on sale of Financial Instruments Measured at FVTPL	-	2.04
Miscellaneous Expenses	39.56	17.89
	<b>650.27</b>	<b>551.89</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 26 Other Expenses (Contd...)

**Notes:**

- a) Expenses related to short term leases is ₹ 1.75 crore (previous year ₹ 1.51 crore)  
b) Payment to Auditors (Refer note below)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>As auditor:</b>		
Audit fee	1.22	1.90
Limited review	0.58	0.53
<b>In other capacity:</b>		
Certification fees	0.39	0.19
Reimbursement of expenses	0.15	0.02
	<b>2.34</b>	<b>2.64</b>

**Note:** Includes ₹ 0.69 crore pertaining to Previous Auditor

**c) Details of Expenditure on Corporate Social Responsibilities**

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

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

- (i) Gross amount required to be spent during the year ₹ 7.84 crore (previous year ₹ 31.35 crore)  
(ii) Amount spent during the year ended:

Particulars	In cash ₹ In crore	Yet to be paid in cash	Total ₹ In crore
<b>March 31, 2024</b>			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	7.84	-	7.84
<b>Total</b>	<b>7.84</b>	<b>-</b>	<b>7.84</b>
<b>March 31, 2023</b>			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	31.88	-	31.88
<b>Total</b>	<b>31.88</b>	<b>-</b>	<b>31.88</b>

(iii) Nature of CSR activities

Promoting Health Care, Eradicating hunger, poverty and malnutrition, Ensuring environmental sustainability, Promoting Education, Social development and Enhancing vocation skills

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 26 Other Expenses (Contd...)

(iv) Detail of related party Transactions

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Contribution / Donation to related party (Refer note 32)	6.84	24.85

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-

## 27 Income Tax

The major component of income tax expenses for the year ended March 31, 2024 and March 31, 2023 are as under

### a) Tax Expense reported in the Statement of Profit and Loss

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>i) Profit and Loss Section</b>		
<b>Current Income tax</b>		
Current tax charges	176.19	11.83
Adjustment in respect of Tax Expense relating to earlier years	2.20	34.29
	<b>178.39</b>	<b>46.12</b>
<b>Deferred Tax</b>		
Relating to origination and reversal of temporary differences	617.38	(553.67)
Tax (credit) under Minimum Alternative Tax	(2.20)	(41.25)
	<b>615.18</b>	<b>(594.92)</b>
	<b>793.57</b>	<b>(548.80)</b>
<b>ii) Other Comprehensive Income ('OCI') Section</b>		
<b>Deferred tax related to items recognised in OCI during the year</b>		
Tax impact on re-measurement gain/(loss) on defined benefit plans	0.69	(0.31)
Tax impact on unrealised (loss)/gain on FVTOCI Equity Investment	(4.25)	0.69
	<b>(3.56)</b>	<b>0.38</b>

### b) Balance Sheet Section

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Taxes Recoverable (net) (refer note 8)	402.15	397.87
	<b>402.15</b>	<b>397.87</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 27 Income Tax (Contd...)

c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Profit/(Loss) Before Tax</b>	2,531.92	(1,028.23)
Tax Rate	34.94%	34.94%
At India's Statutory Income Tax rate	884.75	(359.30)
<b>Tax Effect of:</b>		
Effect due to lower Tax rate	(20.62)	(3.90)
Expenses not allowable under Tax laws	7.82	21.29
Deduction under chapter VI-A	(74.80)	(13.65)
Loss on impairment of Investment	-	(171.65)
Deduction of transaction cost of Composite scheme of arrangement	-	(4.03)
Adjustment in respect of previous years	-	(8.97)
Other Adjustments	(3.58)	(8.59)
<b>Income Tax reported in Statement of Profit and Loss</b>	<b>793.57</b>	<b>(548.80)</b>
<b>Effective tax rate</b>	<b>31.34%</b>	<b>53.37%</b>

d) Deferred Tax Assets (net)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Deferred Tax (liabilities) / assets in relation to:</b>				
(Liability) on Accelerated depreciation for tax purpose	(647.40)	(729.54)	82.14	71.13
Asset on unrealised exchange variation	108.78	99.53	9.25	46.85
Asset on Provision for Gratuity and Leave encashment	11.24	14.24	(3.00)	3.23
(Liability) on Preference Share debt component	(25.76)	(29.72)	3.96	3.62
(Liability) on Deemed Investment	(50.66)	(50.66)	-	(0.54)
Asset on fair valuation of Inter Corporate Deposit / Corporate / Bank Guarantee	7.99	11.88	(3.89)	0.58
(Liability) on Equity Investment at FVTOCI	(34.64)	(38.89)	4.25	(0.69)
Asset on provision for doubtful debt, loans and advances	74.29	616.13	(541.84)	549.06
(Liability) on Lease Receivables	(427.93)	(275.65)	(152.28)	(130.22)
Asset on transaction cost of Composite scheme of arrangement	8.05	15.57	(7.52)	15.57
MAT Credit entitlement (refer note (i) below)	1,643.14	1,654.49	2.20	41.25
(Liability) on other adjustments	(12.22)	(7.33)	(4.89)	(5.30)
	<b>654.88</b>	<b>1,280.05</b>	<b>(611.62)</b>	<b>594.54</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 27 Income Tax (Contd...)

### Notes:

- (i) During the current year MAT Credit is utilised and adjusted against liability. ₹ 2.20 crore MAT credit recognised related to previous year.

### e) Deferred Tax Assets reflected in the Balance Sheet as follows

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Tax Credit Entitlement under MAT	1,643.14	1,654.49
Less :Deferred tax liabilities (net)	(988.26)	(374.44)
	<b>654.88</b>	<b>1,280.05</b>

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

Financial Year	Amount (₹ in crore)	Expiry Year
2014-15	304.75	2029-30
2015-16	633.72	2030-31
2016-17	413.17	2031-32
2017-18	49.00	2032-33
2018-19	80.71	2033-34
2019-20	81.82	2034-35
2020-21	77.99	2035-36
2022-23	1.98	2037-38
<b>Total</b>	<b>1,643.14</b>	

## 28 Earnings Per Share (EPS)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Profit/(Loss) after tax</b>	<b>1,738.35</b>	<b>(479.43)</b>
Less: Dividends on Non-Cumulative Redeemable Preference Shares	*-	*-
	<b>1,738.35</b>	<b>(479.43)</b>
* Figures being nullified on conversion to ₹ in crore.		
	<b>No of Shares</b>	<b>No of Shares</b>
Weighted average number of equity shares in calculating basic and diluted EPS (refer note 41)	2,16,01,38,945	2,16,01,38,945
<b>Basic and Diluted Earnings per Share (in ₹)</b>	<b>8.05</b>	<b>(2.22)</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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

Sr No	Ratio Name	Formula	March 24	March 23	% Variance	Reason for variance
1	Current	Current Assets / Current Liabilities	0.83	1.04	(20.13%)	NA
2	Debt-Equity	Total Debt / Shareholder's Equity	1.69	1.65	2.82%	NA
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 scheduled non current debt made during the period excluding refinanced loans)	2.03	1.93	5.15%	NA
4	Return on Equity	Profit after Taxes / Average Equity Shareholder's Fund	5.99%	(1.63%)	(466.69%)	Mainly due to Impairment provision in previous year, higher foreign exchange Loss in previous year and increase in profit due to increase in Cargo in current year
5	Inventory Turnover		NA			-
6	Trade Receivables Turnover	Revenue from operations / Average Accounts Receivables	6.02	5.54	8.76%	NA
7	Trade Payable Turnover	Operating expense & Other expense / Average Trade Payables	3.80	3.22	18.22%	NA
8	Net Capital Turnover	Revenue from Operation / Average Working Capital	(10.60)	1.32	(901.57%)	Mainly due to realisation of consideration against composite scheme of arrangement in previous year and due to current maturity of Non Current Borrowings in current year
9	Net Profit	Profit After Tax / Revenue from Operations	25.54%	(9.15%)	(378.98%)	Mainly due to Impairment provision in previous year
10	Return on Capital Employed	Earnings before Interest, Taxes and exceptional items / Capital Employed (Tangible Networth+Total Debt)	6.71%	4.35%	54.21%	Mainly due to Impairment provision in previous year
11	Return on Investment		NA			-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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

- a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 11.76 crore (previous year ₹ 11.27 crore) as expenses under the following defined contribution plan.

₹ In crore		
Contribution to	March 31, 2024	March 31, 2023
Provident Fund	11.70	11.22
Superannuation Fund	0.06	0.05
<b>Total</b>	<b>11.76</b>	<b>11.27</b>

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

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

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

### c) Gratuity

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

₹ In crore		
Particulars	March 31, 2024	March 31, 2023
Present value of the defined benefit obligation at the beginning of the year	45.34	37.07
Current service cost	4.13	5.12
Interest cost	3.15	2.56
Re-measurement (or Actuarial) (gain) / loss arising from and including in OCI:		
- change in demographic assumptions	0.41	(0.36)
- change in financial assumptions	(0.48)	(6.66)
- experience variance	(1.89)	7.92
Benefits paid	(6.43)	(2.08)
Liability Transfer In	1.54	3.94
Liability Transfer Out	(3.20)	(2.17)
Present value of the defined benefit obligation at the end of the year	42.57	45.34

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 30 Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	33.76	31.60
Investment income	2.54	2.18
Benefits paid	-	(0.02)
Fair value of plan assets at the end of the year	36.30	33.76

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Present value of the defined benefit obligation at the end of the year	42.57	45.34
Fair value of plan assets at the end of the year	36.30	33.76
Amount recognised as liability (refer note 20)	(6.27)	(11.58)
Net liability - Non Current	(6.27)	(11.58)

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Current service cost	4.13	5.12
Net Interest on benefit obligation	0.61	0.38
Total Expense included in Employee Benefits Expense (refer note 24)	4.74	5.50

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Actuarial (gain)/losses arising from		
- change in demographic assumptions	0.41	(0.36)
- change in financial assumptions	(0.48)	(6.66)
- experience variance	(1.89)	7.92
Recognised in the other comprehensive income	(1.96)	0.90

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

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.50%
Rate of escalation in salary (per annum)	8.00%	8.50%
Mortality	India Assured Lives Mortality (2012-14)	India Assured Lives Mortality (2012-14)
Attrition rate	8.49%	11.00%

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 30 Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

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

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

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

Particulars	March 31, 2024	March 31, 2023
Investments with insurer *	100%	100%

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

(viii) Sensitivity Analysis

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

Quantitative sensitivity analysis for significant assumption is as below

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

Particulars	March 31, 2024		March 31, 2023	
	Discount rate		Discount rate	
Assumptions				
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	₹ In crore	₹ In crore	₹ In crore	₹ In crore
	(2.66)	2.98	(2.43)	2.70

Particulars	March 31, 2024		March 31, 2023	
	Salary Growth rate		Salary Growth rate	
Assumptions				
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	₹ In crore	₹ In crore	₹ In crore	₹ In crore
	2.94	(2.66)	2.66	(2.43)

Particulars	March 31, 2024		March 31, 2023	
	Attrition rate		Attrition rate	
Assumptions				
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
Impact on defined benefit obligations	₹ In crore	₹ In crore	₹ In crore	₹ In crore
	(0.65)	0.89	(0.80)	1.20

Particulars	March 31, 2024		March 31, 2023	
	Mortality rate		Mortality rate	
Assumptions				
Sensitivity level	10% Increase	10% Decrease	10% Increase	10% Decrease
Impact on defined benefit obligations	₹ In crore	₹ In crore	₹ In crore	₹ In crore
	*	*	*	*

\* Figures being nullified on conversion to ₹ in crore

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 30 Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

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

Particulars	March 31, 2024	March 31, 2023
Weighted average duration (based on discounted cash flows)	7 years	6 years

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Within the next 12 months (next annual reporting period)	6.76	7.91
Between 2 and 5 years	17.80	20.26
Between 6 and 10 years	20.50	20.49
Beyond 10 years	30.51	25.57
<b>Total Expected Payments</b>	<b>75.57</b>	<b>74.23</b>

The Company expects to contribute ₹ 10.35 crore to the gratuity fund in the financial year 2023-24 (previous year ₹ 13.95 crore).

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

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

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

### 31 Segment Information

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the ports services, ports related Infrastructure development activities and development of infrastructure at contiguous Special Economic Zone at Mundra, as determined by chief operating decision maker, in accordance with Ind-AS 108 "Operating Segments".

Considering the inter relationship of various activities of the business, the chief operating 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures

### Related parties where control exists.

Wholly owned Subsidiary Companies	
	Adani Ennore Container Terminal Private Limited
	Adani Hazira Port Limited (Formerly known as Adani Hazira Port Private Limited)
	Adani Hospitals Mundra Limited (Formerly known as Adani Hospitals Mundra Private Limited )
	Adani Logistics Limited
	Adani Vizag Coal Terminal Private Limited
	Adani Warehousing Services Limited (Formerly known as Adani Warehousing Service Private Limited)
	Karnavati Aviation Private Limited
	Mundra International Airport Limited (Formerly known as Mundra International Airport Private Limited)
	The Dhamra Port Company Limited
	Adani Vizhinjam Port Private Limited
	Adani Ports Technologies Private Limited (Formerly known as Mundra International Gateway Terminal Private Limited)
	Madurai Infrastructure Limited (Formerly known as Madurai Infrastructure Private Limited)
	Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited )
	Coastal International Terminals Pte. Limited, Singapore (upto May 31, 2023)
	Adani Kandla Bulk Terminal Private Limited
	Adani Murmugao Port Terminal Private Limited
	Shanti Sagar International Dredging Limited (Formerly known as Shanti Sagar International Dredging Private Limited )
	Abbot Point Operations Pty Limited, Australia
	Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Limited)
	Mundra Crude Oil Terminal Limited (Formerly known as Mundra Crude Oil Terminal Private Limited)
	Adinath Polyfills Private Limited
	Adani Bulk Terminals (Mundra) Limited (formerly known as Adani Agri Logistics (Bathinda) Limited) [w.e.f November 10, 2022]
	Tajpur Sagar Port Limited [incorporated on October 21, 2022]
	Adani Container Terminal Limited (Formerly known as Adani Pipelines Private Limited)
	Adani Container Manufacturing Limited (Formerly known as Adani Cargo Logistics Limited) [w.e.f November 10, 2022]
	Adani Bangladesh Ports Private Limited, Bangladesh
	Anchor Port Holding Pte. Limited, Singapore (Formerly known as Adani Mundra Port Holding Pte. Limited)
	Aqua Desilting Private Limited

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

<b>Wholly owned Subsidiary Companies</b>	HDC Bulk Terminal Limited [incorporated on March 07, 2022]	
	Adani International Ports Holdings Pte. Limited, Singapore	
	Adani Gangavaram Port Limited (Formerly known as Adani Gangavaram Port Private Limited)	
	Adani Krishnapatnam Port Limited	
	Adani Tracks Management Services Limited (Formerly known as Adani Tracks Management Services Private Limited)	
	Gangavaram Port Services (India) Limited (Formerly known as Gangavaram Port Services (India) Private Limited) (refer note 41)	
	Karaikal Port Private Limited (w.e.f. April 04, 2023)	
	Adani Aviation Fuels Limited (incorporated on September 29, 2022)	
	Udanvat Leasing IFSC Limited (incorporated on October 23, 2023)	
	Dighi Port Limited	
	<b>Other Subsidiary Companies</b>	Dholera Infrastructure Private Limited (Controlling interest)
		Adani Petronet (Dahej) Port Limited (Formerly known as Adani Petronet (Dahej) Port Private Limited)
Mundra SEZ Textile And Apparel Park Private Limited		
Marine Infrastructure Developer Private Limited		
Mundra Solar Technopark Private Limited		
Mundra LPG Terminal Private Limited (w.e.f April 30, 2022)		
Mediterranean International Ports A.D.G.D Limited (Incorporated on November 13, 2022)		
<b>Step down Subsidiary</b>		Hazira Infrastructure Limited
	Dholera Port and Special Economic Zone Limited (Controlling Interest)	
	Dhamra Infrastructure Limited (Formerly known as Dhamra Infrastructure Private Limited)	
	Abbot Point Bulk Coal Pty Limited, Australia	
	Blue Star Realtors Limited (Formerly known as Blue Star Realtors Private Limited)	
	Pearl Port Pte. Limited, Singapore (Formerly known as Adani Mundra Port Pte. Limited)	
	Dermot Infracon Limited (Formerly known as Dermot Infracon Private Limited)	
	Noble Port Pte. Limited Singapore (Formerly known as Adani Abbot Port Pte. Limited)	
	Adani Logistics Services Limited (Formerly known as Adani Logistics Services Private Limited)	
	Adani Forwarding Agent Limited (Formerly known as Adani Forwarding Agent Private Limited)	
	Adani Noble Limited (Formerly known as Adani Noble Private Limited)	
	Adani Container Manufacturing Limited (Formerly known as Adani Cargo Logistics Limited) [upto November 09, 2022]	

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

Step down Subsidiary	
	Adani Logistics Infrastructure Limited (Formerly known as Adani Logistics Infrastructure Private Limited)
	Adani Yangon International Terminal Company Limited, Myanmar (upto May 31, 2023)
	Adani Agri Logistics (Samastipur) Limited
	Adani Agri Logistics (Darbhanga) Limited
	Adani Agri Logistics (Dahod) Limited
	Adani Agri Logistics Limited
	Adani Agri Logistics (MP) Limited
	Adani Agri Logistics (Dewas) Limited
	Adani Agri Logistics (Harda) Limited
	Adani Agri Logistics (Hoshangabad) Limited
	Adani Agri Logistics (Satna) Limited
	Adani Agri Logistics (Ujjain) Limited
	Adani Agri Logistics (Panipat) Limited
	Adani Agri Logistics (Kannauj) Limited
	Adani Agri Logistics (Katihar) Limited
	Adani Agri Logistics (Katihar two) Limited [incorporated on November 21, 2022]
	Adani Agri Logistics (Kotkapura) Limited
	Adani Agri Logistics (Mansa) Limited
	Adani Bulk Terminals (Mundra) Limited (Formerly known as Adani Agri Logistics (Bathinda) Limited) (upto November 09, 2022)
	Adani Agri Logistics (Moga) Limited
	Adani Agri Logistics (Barnala) Limited
	Adani Agri Logistics (Nakodar) Limited
	Adani Agri Logistics (Gonda) Limited [incorporated on November 22, 2022]
	Adani Agri Logistics (Raman) Limited
	Adani Agri Logistics (Dhamora) Limited
	Adani Agri Logistics (Chandari) Limited [incorporated on November 21, 2022]
	Adani Agri Logistics (Sandila) Limited [incorporated on November 18, 2022]
	AYN Logistics Infra Private Limited
	BU Agri Logistics Limited [incorporated on March 11, 2023]
	HM Agri Logistics Limited [incorporated on February 28, 2023]
	Adani Logistics International Pte. Limited, Singapore [upto July 28, 2022]
	Adani Krishnapatnam Container Terminal Private Limited (Formerly known as Navayuga Container Terminal Private Limited) (upto April 1, 2022)
	Seabird Distriparks (Krishnapatnam) Limited (Formerly known as Seabird Distriparks (Krishnapatnam) Private Limited)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

Step down Subsidiary	
	Adani Warehousing Limited (Formerly known Adani Agri Logistics (Borivali) Limited)
	Shankheshwar Buildwell Limited (Formerly known as Shankheshwar Buildwell Private Limited)
	Sulochana Pedestal Limited (Formerly known as Sulochana Pedestal Private Limited)
	Ocean Sparkle Limited [acquired on May 10, 2022]
	Haifa Port Company Limited, Israel [w.e.f. January 10, 2023]
	Port Harbour Services International Pte. Limited, Singapore [incorporated on February 01, 2023]
	Sparkle Overseas Pte. Limited [acquired on May 10, 2022]
	PU Agri Logistics limited [incorporated on February 25, 2023]
	Saptati Build Estate Limited (Formerly known as Saptati Build Estate Private Limited) [acquired on May 04, 2022]
	Savi Jana Sea Foods Private Limited [acquired on May 10, 2022]
	Sea Sparkle Harbour Service Limited [acquired on May 10, 2022]
	Sparkle Port Service Limited [acquired on May 10, 2022]
	Sparkle Terminal & Towage Service Limited [acquired on May 10, 2022]
	Colombo West International Terminal (Private) Limited
	The Adani Harbour International DMCC, UAE [incorporated on December 22, 2022]
	Adrita Realtors Private Limited [acquired on September 1, 2023]
	Agratas Projects Private Limited [acquired on September 2, 2023]
	Dependencia Infrastructure Private Limited [acquired on September 14, 2023]
	Griptronics Enterprises Private Limited [acquired on September 1, 2023]
	Mandhata Build Estate Private Limited [acquired on December 1, 2023]
	Nabhganga Enterprises Private Limited [acquired on August 24, 2023]
	Poseidon Leasing IFSC Limited [incorporated on February 08, 2024]
	NRC Limited

### Related parties with whom transactions have taken place

Joint Venture & Associate Entities	
	Adani CMA Mundra Terminal Private Limited
	Adani International Container Terminal Private Limited
	Adani NYK Auto Logistics Solutions Private Limited
	Dhamra LNG Terminal Private Limited
	Mundra LPG Terminal Private Limited (w.e.f. February 24, 2022 to April 29, 2022)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

<b>Key Managerial Personnel and their relatives</b>	Mr. Gautam S. Adani - Chairman (Chairman and Managing Director upto January 03, 2024)	
	Mr. Rajesh S. Adani - Director	
	Mr. Karan G. Adani - Wholetime Director and CEO (upto January 03, 2024), Managing Director (w.e.f January 04, 2024)	
	Dr. Malay Mahadevia - Director (upto January 03, 2024)	
	Prof. G. Raghuram - Independent Non-Executive Director	
	Mr. Gopal Krishna Pillai - Independent Non-Executive Director	
	Mrs. Nirupama Rao - Independent Non-Executive Director	
	Mr. Bharat Sheth - Independent Non-Executive Director	
	Mr. Palamadai Sundararajan Jayakumar - Independent Non-Executive Director	
	Mr. Rajkumar Beniwal - Non- Executive Director	
	Mr. Ashwini Gupta, Whole time Director & CEO (w.e.f January 4, 2024 as CEO and w.e.f January 5, 2024 as wholetime Director)	
	Mrs. Avantika Singh Aulakh IAS, Nominee Director (upto September 20, 2022)	
	Mrs. Bhanumathi Viswanathan Melattur, Non-Executive Director (w.e.f. February 28, 2024)	
	Mr. D. Muthukumaran - Chief Financial Officer (w.e.f July 19, 2022)	
	Mr. Ranjith Sinh Barad, IAS, Nominee Director (w.e.f December 21, 2022 & upto June 22, 2023)	
	Mr. Kamlesh Bhagia - Company Secretary	
	<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting powers</b>	Adani Foundation
		Adani Properties Private Limited
		Delhi Golf Link Properties Private Limited
		Adani Infrastructure Management Services Limited
Adani Renewable Energy (KA) Limited		
Udupi Power Corporation Limited (upto March 06, 2023)		
Adani Mundra SEZ Infrastructure Private Limited		
Adani Township And Real Estate Company Private Limited		
Adani Bunkering Private Limited		
Adani Enterprises Limited		
Mundra Solar PV Limited		
Adani Road Transport Limited		
Adani Green Energy Limited		
Adani Total Gas Limited		
Adani Global F.Z.E., Dubai		
Adani Estate Management Private Limited		
Adani Infra (India) Limited		
Belvedere Golf and Country Club Private Limited		
Sunanda Agri Trade Private Limited		
Adani Skill Development Center		
Shantigram Utility Services Private Limited		
Adani Dhamra LPG Terminal Private Limited		
Adani Power (Mundra) Limited (upto March 06, 2023)		
Adani Power Maharashtra Limited (upto March 06, 2023)		
Adani Power Limited		

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting powers</b>	Adani Power Rajasthan Limited (upto March 06, 2023)
	Adani Power Jharkhand Limited
	Adani Wilmar Limited
	MPSEZ Utilities Limited
	Ahmedabad International Airport Limited (formerly known as Adani Ahmedabad International Airport Limited)
	Maharashtra Eastern Grid Power Transmission Company Limited
	Guwahati International Airport Limited
	Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)
	Adani Airport Holdings Limited
	Adani Agri Fresh Limited
	Jash Energy Private Limited
	Mundra Petrochem Limited
	Adani Electricity Mumbai Limited
	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)
	Adani Transmission (India) Limited
	Shantigram Township Utility Services Private Limited
	Adani Institute for Education and Research
	Vishakha Renewables Private Limited
	Vishakha Solar Films Private Limited (w.e.f April 01, 2022 Amalgamated with Vishakha Renewables Private Limited)
	Mangaluru International Airport Limited
	TRV (Kerala) International Airport Private Limited
	Jaipur International Airport Limited
	Adani New Industries Limited (Formerly known as Mundra WindTech Limited)
	Kutch Copper Tubes Limited
	Mundra Solar Energy Limited
	Adani Social Development Foundation
	Mahan Energen Limited
	Adani Global Pte. Limited
	ACC Limited
	Mundra Solar Technology Limited
	Adani Sportsline Private Limited
	Adani Defence Systems and Technologies Limited
	Adani Digital Labs Private Limited
	Ambuja Cements Limited
	Adani Petrochemicals Limited
	Alton Buildtech India Private Limited
	Mumbai International Airport Limited
	Gare Pelma III Collieries Limited
	Adani Water Limited
	Kutch Copper Limited
North Star Diagnostics Private Limited	
Ambuja Shipping Services Limited	
Sanghi Industries Limited	
Vishakha Polyfab Private Limited	
Vishakha Metals Private Limited	

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

### Terms and conditions of transactions with related parties

- (i) Outstanding balances of related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. During the current year, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. During the previous year, Company had recorded impairment of ₹ 1,558.16 crore against loan and investment of a subsidiary. The closing balance of Loans is net of total impairment of ₹ 205.01 crore (previous year ₹ 1,756.82 crore) related to previous periods. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (ii) All Rupee loans and foreign currency loans are given on interest bearing within the range of 4 % p.a. to 10 % p.a. except loan to Dholera Infrastructure Private Limited, Dholera Port & Special Economic Zone Limited, Adani Hospitals Mundra Limited and Mundra International Airport Private Limited whereby loan transaction aggregating to ₹ 16.74 crore (previous year ₹ 48.74 crore) are interest free.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

### Notes:

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

### (A) Transactions with Related Parties

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		₹	₹	₹	₹	₹	₹	₹	₹
<b>1</b>	<b>Income from Port Services</b>	<b>390.88</b>	<b>151.94</b>	<b>1,024.34</b>	<b>762.24</b>	<b>844.14</b>	<b>384.59</b>	-	-
	Adani CMA Mundra Terminal Private Limited	-	-	319.27	241.64	-	-	-	-
	Adani International Container Terminal Private Limited	-	-	705.07	520.60	-	-	-	-
	Adani Power Limited	-	-	-	-	628.14	-	-	-
	Adani Power Mundra Limited	-	-	-	-	-	237.65	-	-
	Others	390.88	151.94	-	-	216.00	146.94	-	-
<b>2</b>	<b>Lease &amp; Infrastructure Usage Income/ Upfront Premium</b>	<b>245.36</b>	<b>182.68</b>	<b>15.67</b>	<b>15.11</b>	<b>49.03</b>	<b>29.83</b>	-	-
	Adani Logistics Limited	142.58	80.10	-	-	-	-	-	-
	Mundra Solar Technopark Private Limited	27.05	27.05	-	-	-	-	-	-
	Mundra LPG Terminal Private Limited	64.63	64.43	-	-	-	-	-	-
	Others	11.10	11.10	15.67	15.11	49.03	29.83	-	-
<b>3</b>	<b>Interest Income on loans/ deposits/ deferred accounts receivable</b>	<b>897.84</b>	<b>882.44</b>	<b>13.51</b>	<b>29.67</b>	<b>0.44</b>	<b>20.25</b>	-	-
	Adani Hazira Port Limited	2.20	97.36	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	388.30	450.54	-	-	-	-	-	-
	Coastal International Terminals Pte Limited	21.12	94.72	-	-	-	-	-	-
	Others	486.22	239.82	13.51	29.67	0.44	20.25	-	-

₹ In crore

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>4</b>	<b>Interest Expenses</b>	<b>561.35</b>	<b>293.52</b>	-	-	-	-	-	-
	Adani Harbour Services Limited	350.19	132.61	-	-	-	-	-	-
	Adani Hazira Port Limited	109.89	81.43	-	-	-	-	-	-
	The Dhamra Port Company Limited	43.95	41.78	-	-	-	-	-	-
	Others	57.32	37.70	-	-	-	-	-	-
<b>5</b>	<b>Purchase of Goods, Spares and consumables, Power &amp; Fuel</b>	<b>1.76</b>	<b>0.59</b>	<b>0.60</b>	<b>0.05</b>	<b>190.67</b>	<b>61.46</b>	-	-
	Adani Green Energy Limited	-	-	-	-	110.00	-	-	-
	MPSEZ Utilities Limited	-	-	-	-	76.49	59.63	-	-
	Others	1.76	0.59	0.60	0.05	4.18	1.83	-	-
<b>6</b>	<b>Recovery of Income / expenses (Reimbursement)</b>	<b>2.37</b>	<b>268.63</b>	<b>4.55</b>	<b>20.63</b>	-	-	-	-
	Adani International Container Terminal Private Limited	-	-	3.04	16.01	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	-	-	1.51	4.60	-	-	-	-
	Adani Track Management Services Limited	-	255.17	-	-	-	-	-	-
	Adani Vizhinjam Port Private Limited	2.36	-	-	-	-	-	-	-
	Others	0.01	13.46	-	0.02	-	-	-	-
<b>7</b>	<b>Services Availed (including reimbursement of expenses)</b>	<b>305.65</b>	<b>300.44</b>	<b>21.18</b>	-	<b>209.03</b>	<b>212.67</b>	-	-
	Adani Enterprises Limited	-	-	-	-	126.48	92.69	-	-
	Adani Sportsline Private Limited	-	-	-	-	5.01	60.00	-	-
	Karnavati Aviation Private Limited	129.27	107.00	-	-	-	-	-	-
	Shanti Sagar International Dredging Limited	133.60	132.90	-	-	-	-	-	-
	Others	42.78	60.54	21.18	-	77.54	59.98	-	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>8</b>	<b>Rent charges paid</b>					<b>11.48</b>	<b>14.22</b>		
	Adani Estate Management Private Limited	-	-	-	-	2.43	4.35	-	-
	Adani Properties Private Limited	-	-	-	-	8.77	9.60	-	-
	Others	-	-	-	-	0.28	0.27	-	-
<b>9</b>	<b>Sales of Scrap and Other Miscellaneous Income</b>	<b>95.37</b>	<b>16.39</b>	<b>3.89</b>	<b>4.84</b>	<b>55.91</b>	<b>52.58</b>		
	Adani Enterprises Limited	-	-	-	-	27.32	18.82	-	-
	Adani International Ports Holdings Pte Limited	25.89	6.31	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	21.71	5.63	-	-	-	-	-	-
	Adani Green Energy Limited	-	-	-	-	2.40	10.40	-	-
	Others	47.77	4.45	3.89	4.84	26.19	23.36	-	-
<b>10</b>	<b>Loans Given</b>	<b>12,633.04</b>	<b>6,136.26</b>						
	Adani Gangavaram Port Limited	1,591.92	-	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	1,901.48	2,641.86	-	-	-	-	-	-
	Adani Logistics Limited	4,216.45	1,925.99	-	-	-	-	-	-
	Others	4,923.19	1,568.41	-	-	-	-	-	-
<b>11</b>	<b>Loans Received back</b>	<b>9,710.84</b>	<b>7,225.16</b>	<b>99.85</b>	<b>266.09</b>				
	Adani Krishnapatnam Port Limited	3,093.34	2,931.42	-	-	-	-	-	-
	Adani Logistics Limited	1,835.45	1,729.49	-	-	-	-	-	-
	Others	4,782.05	2,564.25	99.85	266.09	-	-	-	-
<b>12</b>	<b>Loans taken</b>	<b>12,890.93</b>	<b>13,095.46</b>						
	Adani Harbour Services Limited	6,145.92	6,564.31	-	-	-	-	-	-
	Adani Hazira Port Limited	2,598.49	2,623.80	-	-	-	-	-	-
	The Dhamra Port Company Limited	2,503.95	1,951.24	-	-	-	-	-	-
	Others	1,642.57	1,956.11	-	-	-	-	-	-
<b>13</b>	<b>Loans Repaid</b>	<b>7,149.27</b>	<b>9,837.26</b>						
	Adani Harbour Services Limited	1,487.86	3,118.86	-	-	-	-	-	-
	Adani Hazira Port Limited	2,545.31	2,618.21	-	-	-	-	-	-
	Shanti Sagar International Dredging Limited	461.50	1,421.09	-	-	-	-	-	-
	The Dhamra Port Company Limited	2,018.61	2,360.88	-	-	-	-	-	-
	Others	635.99	318.22	-	-	-	-	-	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		0.83	33.78	-	-	-	-	-	-
14	<b>Interest Capitalised to Loan</b>								
	Adani Tracks Management Services Limited	0.83	33.78	-	-	-	-	-	-
15	<b>Advance / Deposit given</b>								
	MPSEZ Utilities Limited	-	-	-	-	1.51	0.04	0.04	-
16	<b>Advance / Deposit Received back</b>								
	Adani Estate Management Private Limited	-	-	-	-	-	4.70	-	-
	Adani Properties Private Limited	-	-	-	-	20.84	-	-	-
	Others	-	-	-	-	0.24	0.03	-	-
17	<b>Share Application Money Paid / Investment</b>	107.35	224.21	-	-	-	-	-	-
	Adani Ennore Container Terminal Private Limited	-	123.00	-	-	-	-	-	-
	Adani International Ports Holdings Pte Limited	-	101.21	-	-	-	-	-	-
	Mediterranean International Ports A.D.G.D Limited	93.85	-	-	-	-	-	-	-
	HDC Bulk Terminal Limited	11.00	-	-	-	-	-	-	-
	Others	2.50	-	-	-	-	-	-	-
18	<b>Purchase of Investment</b>								
	Adani Logistics Services Limited	-	1.16	-	-	-	-	-	-
	Others	-	0.04	-	-	-	-	-	-
19	<b>Donation</b>								
	Adani Foundation	-	-	-	-	6.84	24.85	-	-
	Adani Skill Development	-	-	-	-	6.84	17.25	-	-
20	<b>Purchase of Property / Assets / Land use rights</b>	12.87	20.58	-	-	-	-	-	-
	Ocean Sparkle Limited	1.37	18.75	-	-	-	-	-	-
	Shanti Sagar International Dredging Limited	11.50	-	-	-	-	-	-	-
	Others	-	1.83	-	-	-	-	-	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>21</b>	<b>Sale of Assets</b>	<b>0.09</b>	-	-	-	-	0.01	-	-
	Adani Forwarding Agent Limited	0.07	-	-	-	-	-	-	-
	Adani Murrugao Port Terminal Private Limited	0.01	-	-	-	-	-	-	-
	Mundra Solar Energy Limited	-	-	-	-	0.01	-	-	-
	Others	0.01	-	-	-	-	-	-	-
<b>22</b>	<b>Investment in Perpetual Debt / Debentures</b>	<b>4,267.33</b>	<b>5,152.09</b>	-	-	-	-	-	-
	Adani Logistics Limited	4,131.36	3,355.78	-	-	-	-	-	-
	Adani Track Management Services Limited	-	900.00	-	-	-	-	-	-
	Others	135.97	896.31	-	-	-	-	-	-
<b>23</b>	<b>Redemption of Debenture / Perpetual Debt</b>	<b>2,731.00</b>	<b>1,000.00</b>	-	-	-	-	-	-
	Adani Gangavaram Port Limited	1,500.00	-	-	-	-	-	-	-
	The Dhamra Port Company Limited	1,200.00	-	-	-	-	-	-	-
	Adani Tracks Management Services Limited	-	900.00	-	-	-	-	-	-
	Adani Logistics Limited	6.00	100.00	-	-	-	-	-	-
	Others	25.00	-	-	-	-	-	-	-
<b>24</b>	<b>Remuneration *</b>	-	-	-	-	-	-	<b>15.31</b>	<b>11.20</b>
	<b>Short-term employee benefits**</b>								
	Mr. Gautam S. Adani	-	-	-	-	-	-	1.80	1.80
	Mr. Karan G. Adani	-	-	-	-	-	-	3.36	4.64
	Mr. D. Muthukumar	-	-	-	-	-	-	5.57	3.26
	Mr. Ashwani Gupta	-	-	-	-	-	-	2.97	-
	Others	-	-	-	-	-	-	0.52	0.47
	<b>Other long-term benefits</b>								
	Others	-	-	-	-	-	-	0.01	0.01
	<b>Post-employment benefits</b>								
	Mr. Karan G. Adani	-	-	-	-	-	-	0.54	0.75
	Mr. D. Muthukumar	-	-	-	-	-	-	0.34	0.23
	Mr. Ashwani Gupta	-	-	-	-	-	-	0.15	-
	Others	-	-	-	-	-	-	0.05	0.04

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>25</b>	<b>Commission to Directors</b>								
	Mr. Gautam S. Adani ***	-	-	-	-	-	-	-	2.80
<b>26</b>	<b>Commission to Non-Executive Directors</b>								
	Mr. Bharat Sheth	-	-	-	-	-	-	1.02	1.00
	Mr. Gopal Krishna Pillai	-	-	-	-	-	-	0.20	0.20
	Mr. P S Jayakumar	-	-	-	-	-	-	0.20	0.20
	Ms. Nirupama Rao	-	-	-	-	-	-	0.20	0.20
	Prof. G. Raghuram	-	-	-	-	-	-	0.20	0.20
	Others	-	-	-	-	-	-	0.02	-
<b>27</b>	<b>Sitting Fees</b>								
	Mr. Gopal Krishna Pillai	-	-	-	-	-	-	0.59	0.45
	Mr. P S Jayakumar	-	-	-	-	-	-	0.15	0.11
	Ms. Nirupama Rao	-	-	-	-	-	-	0.10	0.08
	Prof. G. Raghuram	-	-	-	-	-	-	0.07	0.05
	Others	-	-	-	-	-	-	0.13	0.10
		-	-	-	-	-	-	0.14	0.11
<b>28</b>	<b>Dividend Income</b>	<b>0.01</b>	<b>1,010.19</b>	<b>209.45</b>					
	Adani International Container Terminal Private Limited	-	-	209.45	-	-	-	-	-
	Adani Petronet (Dahej) Port Limited	-	102.45	-	-	-	-	-	-
	Shanti Sagar International Dredging Limited	-	607.73	-	-	-	-	-	-
	The Adani Harbour Services Limited	-	300.00	-	-	-	-	-	-
	Others	0.01	0.01	-	-	-	-	-	-
<b>29</b>	<b>Waiver of Investment / Financial Assets</b>	<b>1,564.52</b>	<b>491.23</b>						
	Coastal International Terminals Pte Limited	1,564.52	-	-	-	-	-	-	-
	Adani Kandla Bulk Terminal Private Limited	-	491.23	-	-	-	-	-	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>30</b>	<b>Corporate Guarantee Given</b>	-	1,722.00	183.30	-	-	-	-	-
		USD	USD		USD				
	Adani Krishnapatnam Port Limited	496.26 Mn	699.12 Mn	-	50 Mn	-	-	-	-
	The Adani Harbour Services Limited	USD 60	702.00	-	-	-	-	-	-
		Mn							
	Adani International Ports Holdings Pte. Limited	USD	USD	-	-	-	-	-	-
		75 Mn	646.07 Mn	-	-	-	-	-	-
	Mediterranean International Ports A.D.G.D Limited	USD	-	-	-	-	-	-	-
		361.26 Mn							
	Others	-	1,020.00	183.30	-	-	-	-	-
		USD	USD		USD 50				
		-	53.05 Mn	-	Mn	-	-	-	-
<b>31</b>	<b>Corporate Guarantee Received</b>	-	1,600.00	-	-	-	-	-	-
	Adani Tracks Management Services Limited	-	1,600.00	-	-	-	-	-	-
<b>32</b>	<b>Deposit taken</b>	-	-	0.10	-	8.26	-	-	-
	Mundra Solar Energy Limited	-	-	-	-	2.27	-	-	-
	Mundra Solar Technology Limited	-	-	-	-	3.88	-	-	-
	Ambuja Cements Limited	-	-	-	-	1.23	-	-	-
	Others	-	-	0.10	-	0.88	-	-	-
<b>33</b>	<b>Conversion of Perpetual Debt to Loan</b>	500.00	-	-	-	-	-	-	-
	Adani Ennore Container Terminal Private Limited	500.00	-	-	-	-	-	-	-
<b>34</b>	<b>Assignment of Financial Assets</b>	1,103.80	-	-	-	-	-	-	-
	Adani Hazira Port Limited	1,103.80	-	-	-	-	-	-	-

\* The above remuneration does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified

\*\* previous year includes payment of variable pay related to earlier year

\*\*\* Net of reversal of previous year

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...) (B) Balances with Related Parties

₹ In crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>1</b>	<b>Trade Receivables (net of bills discounted)</b>	<b>370.52</b>	<b>280.75</b>	<b>90.36</b>	<b>64.04</b>	<b>160.08</b>	<b>279.18</b>	-	-
	Adani Krishnapatnam Port Limited	157.88	15.65	-	-	-	-	-	-
	Adani Power Limited	-	-	-	-	92.78	211.89	-	-
	Mundra Solar Technopark Private Limited	-	161.84	-	-	-	-	-	-
	Others	212.64	103.26	90.36	64.04	67.30	67.29	-	-
<b>2</b>	<b>Loans (Net of provision)</b>	<b>14,046.99</b>	<b>9,127.08</b>	<b>204.76</b>	<b>300.33</b>	-	-	-	-
	Adani Krishnapatnam Port Limited	4,447.41	5,639.27	-	-	-	-	-	-
	Adani Logistics Limited	2,713.43	332.43	-	-	-	-	-	-
	Others	6,886.15	3,155.38	204.76	300.33	-	-	-	-
<b>3</b>	<b>Capital Advances</b>	-	-	-	-	<b>9.03</b>	<b>9.03</b>	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	-	-	9.03	9.03	-	-
<b>4</b>	<b>Trade Payables (including provisions)</b>	<b>86.90</b>	<b>83.34</b>	<b>2.75</b>	<b>0.46</b>	<b>37.95</b>	<b>69.67</b>	-	-
	Adani Power Limited	-	-	-	-	3.81	43.68	-	-
	Karnavati Aviation Private Limited	51.60	25.64	-	-	-	-	-	-
	Shanti Sagar International Dredging Limited	27.08	47.29	-	-	-	-	-	-
	Others	8.22	10.41	2.75	0.46	34.14	25.99	-	-
<b>5</b>	<b>Advances and Deposits from Customers</b>	<b>0.41</b>	-	<b>0.64</b>	<b>0.56</b>	<b>13.04</b>	<b>5.63</b>	-	-
	Adani Enterprises Limited	-	-	-	-	1.84	1.85	-	-
	Adani Wilmar Limited	-	-	-	-	1.37	1.58	-	-
	Mundra Solar Energy	-	-	-	-	2.37	0.03	-	-
	Mundra Solar Technology Limited	-	-	-	-	3.89	-	-	-
	Ambuja Cements Limited	-	-	-	-	1.66	-	-	-
	Others	0.41	-	0.64	0.56	1.91	2.17	-	-
<b>6</b>	<b>Other Financial &amp; Non-Financial Assets</b>	<b>694.84</b>	<b>709.02</b>	<b>18.43</b>	<b>14.82</b>	<b>350.54</b>	<b>491.95</b>	-	-
	Adani Krishnapatnam Port Limited	340.63	395.62	-	-	-	-	-	-
	Adani Power Limited	-	-	-	-	1.13	143.41	-	-
	Adani Properties Private Limited	-	-	-	-	115.14	135.98	-	-
	Others	354.21	313.40	18.43	14.82	234.27	212.56	-	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
7	<b>Borrowings</b>	<b>11,371.39</b>	<b>5,629.72</b>	-	-	-	-	-	-
	Adani Harbour Services Limited	8,103.51	3,445.45	-	-	-	-	-	-
	Adani Hazira Port Limited	1,430.06	1,376.88	-	-	-	-	-	-
	Others	1,837.82	807.39	-	-	-	-	-	-
8	<b>Other Financial &amp; Non-Financial Liabilities</b>	<b>523.79</b>	<b>91.27</b>	-	-	<b>23.98</b>	<b>2.39</b>	-	-
	Adani Harbour Services Limited	330.40	1.87	-	-	-	-	-	-
	Adani Hazira Port Limited	98.90	73.29	-	-	-	-	-	-
	Others	94.49	16.11	-	-	23.98	2.39	-	-
9	<b>Corporate Guarantee Given</b>	<b>773.67</b>	<b>1,524.08</b>	-	<b>382.92</b>	-	-	-	-
		USD	USD 622	USD 40.68	USD	-	-	-	-
		819.53 Mn	Mn	Mn	374.80 Mn	-	-	-	-
		EUR	EUR	-	-	-	-	-	-
		39.29 Mn	48.78 Mn	-	-	-	-	-	-
	Adani International Ports Holdings Pte. Limited	USD	USD	-	-	-	-	-	-
		479.08 Mn	522.24 Mn	-	-	-	-	-	-
	Mediterranean International Ports A.D.G.D Limited	USD	-	-	-	-	-	-	-
		304.17 Mn	-	-	-	-	-	-	-
	Dhamra LNG Terminal Private Limited	-	-	-	204.85	-	-	-	-
	Dhamra LNG Terminal Private Limited	-	-	-	USD	-	-	-	-
		-	-	-	307.26 Mn	-	-	-	-
	Others	773.67	1,524.08	-	178.07	-	-	-	-
	Others	USD	USD	USD	USD 67.54	-	-	-	-
		36.28 Mn	99.76 Mn	40.68 Mn	Mn	-	-	-	-
	Others	EUR 39.29	EUR	-	-	-	-	-	-
		Mn	48.78 Mn	-	-	-	-	-	-
10	<b>Corporate Guarantee Received</b>	<b>2,679.52</b>	<b>2,679.22</b>	-	-	-	-	-	-
	Adani Track Management Services Limited	1,651.17	1,650.97	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	1,028.35	1,028.25	-	-	-	-	-	-

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

### Notes:

- The Company has allowed some of its subsidiaries, joint ventures and other group company to avail non fund based facilities out of its credit facilities. The aggregate of such transaction amounts to ₹ 1,307.53 crore (previous year ₹ 766.24 crore) is not disclosed in above schedule.
- Pass through transactions/payable relating to railway freight, water front charges and other payable to third parties have not been considered for the purpose of related party disclosure.
- During the previous year, Adani Gangavaram Port Limited has issued Optionally Convertible Debentures of ₹ 4365.89 crore against consideration of composite scheme of arrangement has not been considered for the purpose of related party disclosure.
- Pursuant to the amalgamation of Adani Power Maharashtra Limited, Adani Power Rajasthan Limited, Udupi Power Corporation Limited, Raigarh Energy Generation Limited, Raipur Energen Limited and Adani Power (Mundra) Limited with Adani Power Limited, the Company has disclosed the closing balances as on March 31, 2023 of above amalgamated companies as closing balances of Adani Power Limited.
- Previous year disclosure excludes payment made to Karaikal Port Private Limited w.r.t order passed by the National Company Law Tribunal ("NCLT") on March 31, 2023 (refer note 4(j)).
- Transactions/balances with related party having value equal to / exceeding 10% of total transaction/balances of respective category is considered as material and have been disclosed separately.

- 33** a) The Company takes various types of derivative instruments. The category-wise outstanding position of derivative instruments are as under:

Nature	Particulars of Derivatives		Purpose
	As at March 31, 2024	As at March 31, 2023	
Forward Contract	USD 45.90 Million	USD 32.20 Million	Hedging of expected future billing based on foreign currency denominated tariff
	USD 23 Million	USD 245 Million	Hedging of foreign currency borrowing principal & interest liability

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

Nature	As at March 31, 2024		As at March 31, 2023	
	Amount ₹ In crore	Foreign Currency (in Million)	Amount ₹ In crore	Foreign Currency (in Million)
Foreign Currency Loan	20.36	USD 2.44	-	-
	1.04	EUR 0.12		
Foreign Currency Bond	29,625.75	USD 3552.04	30,074.12	USD 3659.99
Buyer's Credit	372.30	USD 44.64	308.24	USD 37.51
Trade Payables and	26.77	USD 3.21	39.42	USD 4.80
Other Current Liabilities	0.59	EUR 0.07	10.88	EUR 1.22
	0.14	SGD 0.02	0.16	SGD 0.03
	-	-	0.01	OMR *
	0.03	CHF *	-	-
Interest accrued but not due	229.06	USD 27.46	199.69	USD 24.30
Trade Receivable	-	-	*	USD *
	-	-	0.02	EUR *
Other Receivable	165.96	USD 19.90	183.35	USD 22.31
Loan given	1,695.58	USD 203.30	707.90	USD 86.15**

\* Figures being nullified on conversion to ₹ in crore and foreign currency in million

\*\* Net of Impairment of USD 188.85 million

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Closing rates as at :

Particulars	March 31, 2024	March 31, 2023
INR / USD	83.41	82.17
INR / EUR	89.88	89.44
INR / GBP	105.03	101.65
INR / CHF	92.04	89.58
INR / SGD	61.74	61.79
INR / OMR	216.64	213.43

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

#### 34.1 Category-wise Classification of Financial Instruments:

₹ in crore

Particulars	Refer Note	As at March 31, 2024			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	346.77	346.77
Bank balances other than cash and cash equivalents	11	-	-	3,408.06	3,408.06
Investments in unquoted Equity Shares (other than investment in subsidiaries and joint ventures)	4	384.77	-	-	384.77
Investment in Non Convertible Redeemable Debentures	4 & 10	-	-	500.00	500.00
Investment in Government and Trust Securities	10	-	27.82	-	27.82
Trade Receivables	5	-	-	1,242.55	1,242.55
Loans	6	-	-	14,283.69	14,283.69
Derivatives instruments	7	-	0.69	-	0.69
Other Financial Assets	7	-	-	4,130.25	4,130.25
<b>Total</b>		<b>384.77</b>	<b>28.51</b>	<b>23,911.32</b>	<b>24,324.60</b>
<b>Financial Liabilities</b>					
Borrowings	14 & 18	-	-	49,702.30	49,702.30
Trade Payables	19	-	-	499.25	499.25
Derivatives instruments	16	-	34.37	-	34.37
Lease Liabilities	15	-	-	104.62	104.62
Other Financial Liabilities	16	-	-	1,538.53	1,538.53
<b>Total</b>		<b>-</b>	<b>34.37</b>	<b>51,844.70</b>	<b>51,879.07</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

₹ in crore

Particulars	Refer Note	As at March 31, 2023			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	65.44	65.44
Bank balances other than cash and cash equivalents	11	-	-	1,965.54	1,965.54
Investments in unquoted Equity Shares (other than investment in subsidiaries, joint ventures and Associates)	4	283.90	-	-	283.90
Investment in Non Convertible Redeemable Debentures	4	-	-	500.00	500.00
Investment in Special Infrastructure Investment Scheme of ASSIS	10	-	1,136.98	-	1,136.98
Trade Receivables (including bills discounted)	5	-	-	1,274.14	1,274.14
Loans	6	-	-	10,893.58	10,893.58
Derivatives instruments	7	-	29.83	-	29.83
Other Financial Assets	7	-	-	4,313.21	4,313.21
<b>Total</b>		<b>283.90</b>	<b>1,166.81</b>	<b>19,011.91</b>	<b>20,462.62</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted)	14 & 18	-	-	47,522.48	47,522.48
Trade Payables	19	-	-	578.79	578.79
Derivatives instruments	16	-	42.99	-	42.99
Lease Liabilities	15	-	-	128.69	128.69
Other Financial Liabilities	16	-	-	1,182.98	1,182.98
<b>Total</b>		<b>-</b>	<b>42.99</b>	<b>49,412.94</b>	<b>49,455.93</b>

**Note:** Investment amounting to ₹ 45,212.47 crore (previous year ₹ 44,051.84 crore) are measured at cost hence not included in above tables.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

#### 34.2 Fair Value Measurements:

##### a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

₹ in crore

Particulars	As at March 31, 2024				As at March 31, 2023		
	Quoted price in Active market (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
<b>Financial Assets</b>							
Investment in unquoted Equity measured at FVTOCI (refer note (4))	-	-	384.77	384.77	-	283.90	283.90
Investment in Government and Trust Securities (refer note (10))	27.82	-	-	27.82	-	-	-
Investment in Infrastructure Investment Fund (refer note (10))	-	-	-	-	1,136.98	-	1,136.98
Derivatives instruments (refer note 7)	-	0.69	-	0.69	29.83	-	29.83
<b>Financial Liabilities</b>							
Derivatives instruments (refer note below and note 16)	-	24.20	10.17	34.37	32.82	10.17	42.99
<b>Total</b>	<b>27.82</b>	<b>24.89</b>	<b>394.94</b>	<b>447.65</b>	<b>1,199.63</b>	<b>294.07</b>	<b>1,493.70</b>

Derivative instruments are valued based on observable inputs i.e. yield curves, FX rates and volatilities etc.

The fair value of Investment in Government and Trust Securities is measured at quoted price or NAV.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

The company has entered into call option agreement for an equity investment, whereby the company has agreed to grant the buyer an option to purchase the underlying equity investment, the fair value of such call option as at March 31, 2024 is ₹ 10.17 crore (previous year ₹ 10.17 crore) . The fair value is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the spot price, expected price volatility and the risk-free interest rate for the term of the option. The critical inputs for options granted are : (i) Expected price volatility : 38 % (ii) Risk-free interest rate: 5.60 % (iii) Intrinsic value : Nil

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

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2024 and March 31, 2023 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Weighted average	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF Method	Weighted Average Cost of Capital (WACC)	March 31, 2023 : 11.75%	1% increase would result in decrease in fair value by ₹ 3.30 crore as of March 31, 2023

During the current year, company has changed valuation technique from DCF (under Income approach) to Cost approach as it represent more reasonable estimate of fair value based on valuation report by Registered valuer.

### c) Financial Instrument measured at Amortised Cost

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

### 34.3 Financial Risk Management objective and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, lease liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations and its subsidiaries and joint ventures. The Company's principal financial assets include loans, investment including mutual funds, trade and other receivables, lease receivables and cash and cash equivalents which is derived from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

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

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

### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments, short term Investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2024 and March 31, 2023. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023.

### (i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

#### Interest rate sensitivity

The following paragraph demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2024 would decrease / increase by ₹ 5.55 crore (previous year ₹ 3.23 crore). This is mainly attributable to interest rates on variable rate of long term borrowings. The same has been calculated based on risk exposure outstanding as on balance sheet date. The year end balances are not necessarily representative of average debt outstanding during the year.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

### (ii) Foreign currency risk

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

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

The Company's forex revenues provide a natural hedge to its forex debt, derisking it against currency movements.

₹ In crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>USD Sensitivity</b>				
RUPEES / USD – Increase by 1%	(284.13)	(297.30)	(284.13)	(297.30)
RUPEES / USD – Decrease by 1%	284.13	297.30	284.13	297.30
<b>EURO Sensitivity</b>				
RUPEES / EURO – Increase by 1%	(0.02)	(0.11)	(0.02)	(0.11)
RUPEES / EURO – Decrease by 1%	0.02	0.11	0.02	0.11
<b>SGD Sensitivity</b>				
RUPEES / SGD – Increase by 1%	*	*	*	*
RUPEES / SGD – Decrease by 1%	*	*	*	*
<b>CHF Sensitivity</b>				
RUPEES / CHF – Increase by 1%	*	-	*	-
RUPEES / CHF – Decrease by 1%	*	-	*	-
<b>OMR Sensitivity</b>				
RUPEES / OMR – Increase by 1%	-	*	-	*
RUPEES / OMR – Decrease by 1%	-	*	-	*

\* Figures being nullified on conversion to ₹ in crore

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

### (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 subsidiary and joint venture 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 Management of the Company on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Corporate Guarantees given to banks and financial institutions against credit facilities availed by the subsidiaries and joint ventures ₹ 8,301.34 crore (previous year ₹ 10,534.05 crore)

#### Concentrations of Credit risk form part of Credit risk

Considering that the Company operates the port services and provide related infrastructure services, the Company is significantly dependent on such customers located at Mundra. Out of total income from port operations, the Company earns 63% revenue (previous year 49 %) from such customers, and with some of these customers, the Company has long term cargo contracts. As at March 31, 2024, receivables from such customer constitute 30% (previous year 40%) of total trade receivables. A loss of these customer could adversely affect the operating result or cash flow of the Company.

### c) Liquidity risk

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

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

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

₹ in crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
<b>As at March 31, 2024</b>						
Borrowings	14 & 18	6,028.82	25,302.30	18,431.06	49,762.18	49,702.30
Interest on borrowings	16	2,454.99	7,804.24	3,393.54	13,652.77	1,026.54
Trade Payables	19	499.25	-	-	499.25	499.25
Lease Liabilities (Including finance charge)	15	12.89	51.69	96.93	161.51	104.62
Other Financial Liabilities	16	507.21	39.15	-	546.36	546.36
<b>Total</b>		<b>9,503.16</b>	<b>33,197.38</b>	<b>21,921.53</b>	<b>64,622.07</b>	<b>51,879.07</b>

₹ in crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
<b>As at March 31, 2023</b>						
Borrowings (including bills discounted)	14 & 18	3,463.29	26,233.46	17,934.06	47,630.81	47,522.48
Interest on borrowings	16	1,999.97	6,574.36	4,042.43	12,616.76	677.07
Trade Payables	19	578.79	-	-	578.79	578.79
Lease Liabilities (Including finance charge)	15	14.82	60.22	128.25	203.29	128.69
Other Financial Liabilities	16	501.86	46.60	0.44	548.90	548.90
<b>Total</b>		<b>6,558.73</b>	<b>32,914.64</b>	<b>22,105.18</b>	<b>61,578.55</b>	<b>49,455.93</b>

### Notes:

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

### 34.4 Capital management

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

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Total Borrowings (including bills discounting) (refer note 14 and 18)	49,702.30	47,522.48
Less: Cash and bank balance (refer note 11)	3,754.83	2,030.98
Net Debt (A)	<b>45,947.47</b>	<b>45,491.50</b>
Total Equity (B)	29,354.16	28,702.69
Total Equity and Net Debt (C = A + B)	<b>75,301.63</b>	<b>74,194.19</b>
Gearing ratio (D=A/C)	61%	61%

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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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 the Standalone Financial Statements

for the year ended March 31, 2024

- 35** Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of 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 crore

Sr. No	Particulars	March 31, 2024	March 31, 2023
i)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	31.63	15.98
	Interest	-	-
ii)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii)	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.	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v)	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 MSMED Act, 2006.	-	-

## 36 Capital Commitments and Other Commitments

### (i) Capital Commitments

Estimated amount of contract [net of security deposits amounting to ₹ Nil (previous year ₹ 713.63 crore) included in note 7 and Capital advances] remaining to be executed on capital account and not provided for ₹ 1,425.32 crore (previous year ₹ 4,909.62 crore) pertains to various projects to be executed during the next 5 years.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 36 Capital Commitments and Other Commitments (Contd...)

#### (ii) Other Commitments

- a) The port projects of subsidiary company viz. The Dhamra Port Company Limited ("DPCL") and joint venture Adani International Container Terminal Private Limited ("AICTPL") have been funded through various credit facility agreements with banks. Against the said facilities availed by the aforesaid entities from the banks, the Company has pledged its shareholding in the subsidiary / joint venture companies and executed Non Disposal Undertaking, the details of which is tabulated below :-

The details of shareholding pledged by the Company is as follows :

Particulars	% of Non disposal undertaking (Apart from pledged)		% of Share Pledged of the total shareholding of investee company	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Adani International Container Terminal Private Limited	50.00%	50.00%	-	-
The Dhamra Port Company Limited	21.00%	21.00%	30.00%	30.00%

- b) The Company has provided a letter of support to few subsidiaries and Joint Venture to provide financial support if and when needed to meet its financial obligation.

### 37 Contingent Liabilities not provided for

Sr. No	Particulars	₹ In crore	
		March 31, 2024	March 31, 2023
a)	Certain facilities availed by the subsidiaries and joint ventures against credit facilities sanctioned to the Company.	1,307.53	766.24
b)	Bank Guarantees given to government authorities and banks	280.54	280.54
c)	Show cause notices from the Custom Authorities against duty on port related cargo. The Company has given deposit of ₹ 0.05 crore (previous year ₹ 0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14	0.14

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 37 Contingent Liabilities not provided for (Contd...)

		₹ In crore	
Sr. No	Particulars	March 31, 2024	March 31, 2023
d)	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeals there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other fixed assets during financial year 2006-07 to 2016-17. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of ₹ 4.50 crore (previous Year ₹ 4.50 crore) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011).	32.63	32.63
e)	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong avilment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat ₹ 6.72 crore (previous Year ₹ 6.72 crore) and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad ₹ 0.15 crore (previous Year ₹ 0.15 crore) and Commissioner of Service Tax Ahmedabad ₹ 0.03 crore (previous Year ₹ 0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90	6.90
f)	Commissioner of Customs, Ahmedabad has vide order no.4/ Comm./SIIB/2009 dated November 25, 2009 imposed penalty in connection with import of Air Craft owned by Karnavati Aviation Private Limited (Formerly known as Gujarat Adani Aviation Private Limited.), subsidiary of the Company. However, on appeal by the Company, the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) vide Order dated 28.04.2023 set aside the penalty. The Department has challenged CESTAT Order before Guj. High Court. It is settled law that where issue is related to interpretation of provisions of law, no penalty can be imposed. Therefore, the management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognized in the books of account.	-	2.00

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 37 Contingent Liabilities not provided for (Contd...)

₹ In crore

Sr. No	Particulars	March 31, 2024	March 31, 2023
g)	The Company's tax assessments is completed till Assessment year 2021-22, Appeals are pending with High Court/Supreme Court for Assessment Year 2008-09 to AY 2010-11, with CIT for AY 2017-18 to AY 2021-22. Company has received favourable orders on most of the matters for AY 2008-09 to AY 2021-22 from CIT(A)/ITAT/High Court, hence the management is reasonably confident that no liability will devolve on the Company. Company has considered it as remote liability.		
h)	For Arbitration related matter refer note 40.		

**38** The following are the details of loans and advances in the nature of loans given to subsidiaries, Joint Ventures, associates and other entities in which directors are interested in terms of regulation 53 (F) read together with para A of Schedule V of SEBI ( Listing Obligation and Disclosure Regulation, 2015).

₹ In crore

Sr. No	Particulars	Outstanding amount as at		Maximum amount outstanding during the year	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Adani Logistics Limited	2,713.43	332.43	2,713.43	388.89
2	Adani Kandla Bulk Terminal Private Limited	661.90	668.10	674.16	823.43
3	Adani Murmugao Port Terminal Private Limited	445.75	426.37	454.33	441.44
4	Adani Ennore Container Terminal Private Limited	658.81	196.22	711.89	353.00
5	Adani Hazira Port Limited	-	600.00	600.00	1,300.00
6	Adani Vizag Coal Terminal Private Limited (refer note 4(b) (i))	259.25	282.61	289.25	282.61
7	Karnavati Aviation Private Limited	203.07	33.08	263.82	65.72
8	Mundra SEZ Textile and Apparel Park Private Limited	7.57	7.69	8.10	9.44
9	Adani Vizhinjam Port Private Limited	241.43	-	383.98	-
10	Mundra International Airport Limited	5.67	3.15	6.06	3.15
11	Adani Hospitals Mundra Limited	1.94	3.36	3.78	5.87
12	Adani Warehousing Services Limited	-	-	-	14.47
13	Abbot Point Operations Pty Limited	-	-	-	45.39
14	Adani CMA Mundra Terminal Private Limited	204.76	300.33	304.14	300.33
15	Adani International Container Terminal Private Limited	-	-	-	260.83
16	Marine Infrastructure Developer Private Limited	125.49	139.10	206.98	189.55

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 38 (Contd...)

₹ In crore

Sr. No	Particulars	Outstanding amount as at		Maximum amount outstanding during the year	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
17	Dholera Infrastructure Private Limited	4.91	4.91	4.91	4.91
18	Dholera Port & Special Economic Zone Limited	4.22	4.22	4.22	4.22
19	Adani International Ports Holdings Pte. Limited	1,348.41	298.85	1,348.41	298.85
20	Adani Krishnapatnam Port Limited	4,447.41	5,639.27	5,877.25	6,614.48
21	Anchor Port Holding Pte. Limited	8.97	7.93	8.97	7.93
22	Mundra Crude Oil Terminal Limited	11.48	147.25	186.51	160.00
23	Adani Tracks Management Services Limited	41.57	257.97	300.44	643.05
24	Adani Harbour Services Limited	-	-	-	45.78
25	Coastal International Terminals Pte. Limited (refer note 45)	-	1,652.59	1,652.59	1,652.59
26	HDC Bulk Terminal Limited	1.73	0.40	1.73	0.40
27	Adani Container Terminal Limited	1,000.05	135.06	1,000.05	135.06
28	Adani Container Manufacturing Limited	0.05	-	0.05	-
28	Adani Bulk Terminals (Mundra) Limited	398.23	43.32	398.23	43.32
29	Karaikal Port Private Limited	898.47	-	1,485.00	-
30	Adani Gangavaram Port Limited	628.72	-	628.72	-
31	Aqua Desilting Private Limited	0.01	-	0.01	-
32	Udanvat Leasing IFSC Limited	133.45	-	133.45	-

**Note:** All loans are given on interest bearing except loan to Dholera Infrastructure Private Limited, Dholera Port & Special Economic Zone Limited, Karnavati Aviation Private Limited, Adani Hospitals Mundra Limited and Mundra International Airport Limited

## 39 Disclosure of significant interest in subsidiaries, associates and joint ventures as per Ind AS 27 para 17.

Sr. No	Name of Entities	Relationship	Place of Business	Ownership % March 31, 2024	Ownership % March 31, 2023
1	Adani Logistics Limited	Subsidiary	India	100	100
2	Karnavati Aviation Private Limited	Subsidiary	India	100	100
3	Mundra SEZ Textile and Apparel Park Private Limited	Subsidiary	India	50	50
4	Adani Murmugao Port Terminal Private Limited	Subsidiary	India	100	100
5	Mundra International Airport Limited	Subsidiary	India	100	100
6	Adani Hazira Port Limited	Subsidiary	India	100	100

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

### 39 Disclosure of significant interest in subsidiaries, associates and joint ventures as per Ind AS 27 para 17. (Contd...)

Sr. No	Name of Entities	Relationship	Place of Business	Ownership % March 31, 2024	Ownership % March 31, 2023
7	Adani Petronet (Dahej) Port Limited	Subsidiary	India	74	74
8	Madurai Infrastructure Limited	Subsidiary	India	100	100
9	Adani Vizag Coal Terminal Private Limited	Subsidiary	India	100	100
10	Adani Kandla Bulk Terminal Private Limited	Subsidiary	India	100*	100*
11	Adani Warehousing Services Limited	Subsidiary	India	100	100
12	Adani Ennore Container Terminal Private Limited	Subsidiary	India	100	100
13	Adani Hospitals Mundra Limited	Subsidiary	India	100	100
14	The Dhamra Port Company Limited	Subsidiary	India	100	100
15	Shanti Sagar International Dredging Limited	Subsidiary	India	100	100
16	Abbot Point Operations Pty Limited	Subsidiary	Australia	100	100
17	Adani Vizhinjam Port Private Limited	Subsidiary	India	100	100
18	Adani Kattupalli Port Limited	Subsidiary	India	100	100
19	Adani Harbour Services Limited	Subsidiary	India	100	100
20	Adani Ports Technologies Private Limited	Subsidiary	India	100	100
21	Coastal International Terminals Pte. Limited (refer note 45)	Subsidiary	Singapore	-	100
22	Dholera Infrastructure Private Limited	Subsidiary	India	49	49
23	Adinath Polyfills Private Limited	Subsidiary	India	100	100
24	Marine Infrastructure Developer Private Limited	Subsidiary	India	97	97
25	Anchor Port Holding Pte. Limited	Subsidiary	Singapore	100	100
26	Mundra Crude Oil Terminal Limited	Subsidiary	India	100	100
27	Adani Container Terminal Limited	Subsidiary	India	100	100
28	Adani Bangladesh Ports Private Limited	Subsidiary	Bangladesh	100	100
29	Adani Krishnapatnam Port Limited	Subsidiary	India	100	100
30	Dighi Port Limited	Subsidiary	India	100	100
31	Aqua Desilting Private Limited	Subsidiary	India	100	100

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 39 Disclosure of significant interest in subsidiaries, associates and joint ventures as per Ind AS 27 para 17. (Contd...)

Sr. No	Name of Entities	Relationship	Place of Business	Ownership % March 31, 2024	Ownership % March 31, 2023
32	Adani Gangavaram Port Limited	Subsidiary	India	100	100
33	HDC Bulk Terminal Limited	Subsidiary	India	100	100
34	Adani Tracks Management Services Limited	Subsidiary	India	100	100
35	Mundra Solar Technopark Private Limited	Subsidiary	India	11	11
36	Adani International Ports Holdings Pte. Limited	Subsidiary	Singapore	100	100
37	Adani Bulk Terminals (Mundra) Limited	Subsidiary	India	100	100
38	Tajpur Sagar Port Limited	Subsidiary	India	100	100
39	Adani Container Manufacturing Limited	Subsidiary	India	100	100
40	Adani Aviation Fuel Limited	Subsidiary	India	100	100
41	Gangavaram Port Services (India) Limited	Subsidiary	India	100	100
42	Mediterranean International Ports A.D.G.D Limited	Subsidiary	Israel	70	70
43	Mundra LPG Terminal Private Limited	Subsidiary	India	49	49
44	Indianoil Adani Ventures Limited	Joint Ventures	India	49	49
45	IOT Utkal Energy Services Limited		India	49	49
46	Adani International Container Terminal Private Limited		India	50	50
47	Adani CMA Mundra Terminal Private Limited		India	50	50
48	Karaikal Port Private Limited (w.e.f March 31, 2023)	Subsidiary	India	100	(Refer note 4(j))
49	Udanvat Leasing IFSC Limited	Subsidiary	India	100	-

\* Includes beneficial ownership of 26% of equity interest in aforesaid subsidiary (refer note 4(c))

## 40 The Company had entered into preliminary agreement dated September 30, 2014 with a party for development and maintenance of Liquefied Natural Gas ("LNG") terminal infrastructure facilities at Mundra ("the LNG Project").

During the year ended March 31, 2020, due to the disputes between the Company and Customer with respect to construction, operation and maintenance of the LNG Project, part of the cost has been capitalised in Property, Plant and Equipment, Interim Settlement and Arbitration Agreement dated December 24, 2019 was executed. Pursuant thereto, ₹ 666 crore has been received and arbitration has been invoked by the Company. On July 08, 2020, the Company has filed its claim before Arbitral Tribunal. On October 07, 2020, the customer has also filed counter claim before Arbitral Tribunal. Pending further developments, no adjustments has been made till March 31, 2024.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

**41** The Ahmedabad Bench and Hyderabad Bench of the National Company Law Tribunal (“NCLT”), through their orders dated September 21, 2022 and October 10, 2022 respectively, have approved the Composite Scheme of Arrangement between the Company, Gangavaram Port Limited (“GPL”), Adani Gangavaram Port Private Limited (“AGPPL” – a wholly owned subsidiary of the Company) and their respective shareholders and creditors (the ‘Scheme’).

Pursuant to the Scheme, Company had issued 159 fully paid-up equity shares of APSEZ for 1,000 fully paid-up equity shares held by such member in GPL (“Share Exchange Ratio”). Accordingly, Company has allotted 4,77,65,715 equity shares having face value of ₹ 2 each at an issue price of ₹ 754.78 per share to the erstwhile promoters of Gangavaram Port Limited on October 19, 2022. However the same have been considered while calculating the Basic and Diluted Earnings per Share for the previous year.

**42 a) Following are the details of the funds loaned or invested by the Company to Intermediaries for further Loan or investment to the Ultimate beneficiaries for March 31, 2024**

₹ in crore

Name of the intermediary to which the funds are loaned or invested	Date on which funds are Loaned or invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Adani International Ports Holdings Pte Ltd	April 5, 2023	104.52	April 6, 2023	104.52	Colombo West International Terminal (Private) Limited
Adani International Ports Holdings Pte Ltd	May 22, 2023	97.37	May 23, 2023	97.37	Colombo West International Terminal (Private) Limited
Adani International Ports Holdings Pte Ltd	March 20, 2024	282.23	March 27, 2024	282.23	Colombo West International Terminal (Private) Limited
Anchor Port Holding Pte Ltd	May 18, 2023	0.19	October 10, 2023	0.19	Noble Port Pte Limited
	October 5, 2023	0.17	October 10, 2023	0.17	

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

- 42 a) Following are the details of the funds loaned or invested by the Company to Intermediaries for further Loan or investment to the Ultimate beneficiaries for March 31, 2023

₹ in crore

Name of the intermediary to which the funds are loaned or invested	Date on which funds are Loaned or invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte. Limited	May 10, 2022	5.90	July 28, 2022	1.20	Adani Yangon International Terminal Company Limited
			August 22, 2022	1.19	
			September 7, 2022	0.01	
			September 12, 2022	0.11	
			September 14, 2022	0.28	
			September 19, 2022	0.55	
			September 22, 2022	0.01	
			September 23, 2022	1.84	
			November 7, 2022	0.71	
	June 15, 2022	3.12	November 7, 2022	2.06	
			November 9, 2022	1.06	
	November 4, 2022	36.58	November 9, 2022	4.20	
			November 14, 2022	5.40	
			November 17, 2022	5.58	
			November 23, 2022	5.39	
			December 1, 2022	5.48	
			January 25, 2023	0.19	
			January 26, 2023	3.63	
			January 26, 2023	2.56	
			January 26, 2023	1.46	
February 1, 2023			0.02		
February 1, 2023			0.13		
February 6, 2023	0.07				
February 23, 2023	0.82				
March 15, 2023	1.65				
Adani International Ports Holdings Pte. Limited	July 22, 2022	3.19	July 29, 2022	3.19	Colombo West International Terminal (Private) Limited
	August 5, 2022	35.58	August 8, 2022	35.58	
	November 15, 2022	18.67	November 17, 2022	18.67	

### Notes :

- In above figures, USD values are converted in rupee on date at which it was given.
- The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003)

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

- 42 a) Following are the details of the funds loaned or invested by the Company to Intermediaries for further Loan or investment to the Ultimate beneficiaries for March 31, 2024 (Contd...)

### Complete details of the intermediary and Ultimate Beneficiary

Name of the entity	Registered Address	Relationship with the Company
Coastal International Terminals Pte. Limited	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary (upto May 31, 2023)
Adani International Ports Holdings Pte. Limited	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary
Anchor Port Holding Pte Ltd	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary
Adani Yangon International Terminal Company Limited	Plot No. 23 G/4 , 23R/ 2A Ahlon Port Compound Ahlon Township, Yangon Myanmar	Stepdown Subsidiary (upto May 31, 2023)
Colombo West International Terminal (Private) Limited	117, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, Sri Lanka	Stepdown Subsidiary
Noble Port Pte Limited	3 Anson Road # 22-01 Springleaf Tower, Singapore 0799909	Stepdown Subsidiary

- b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- 43 Based on information available with the Company, balances with Struck off Companies are as below:-

₹ in crore

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2024	Relationship with the struck off company, if any, to be disclosed
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
Transmarine Agencies India Private Limited	Deposit from Customer	0.02	Customer
Maritime Freight And Allied Services Private Limited	Deposit from Customer	*	Customer
Kothari Intergroup Limited	NA	NA	Share Holder
RIs Advisory Private Limited	NA	NA	Share Holder
Pooja Shares And Management Services Private Limited	NA	NA	Share Holder

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 43 Based on information available with the Company, balances with Struck off Companies are as below:- (Contd...)

₹ in crore

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2023	Relationship with the struck off company, if any, to be disclosed
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
Transmarine Agencies India Private Limited	Deposit from Customer	0.02	Customer
Map Logistics Private Limited	Deposit from Customer	*	Customer
Kothari Intergroup Limited	NA	NA	Share Holder
RIs Advisory Private Limited	NA	NA	Share Holder
Pooja Shares And Management Services Private Limited	NA	NA	Share Holder
Kautilya Venture Capital Company Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in crore

**44** During the previous financial year 2022-23, a Short Seller Report ("SSR") was published in which certain allegations were made 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 on 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 SSR. 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.

During the year, show cause notices were received from SEBI alleging (i) non-compliance of provisions pertaining to related party transactions under applicable regulations including the Listing Agreement and LODR Regulations with regard to the transactions entered in the earlier years with certain parties, essentially, from a substance-over-form perspective. The allegations are that the company has not obtained the requisite approvals, and have not made the required disclosure in the financial statements / annual report (ii) Not recalling security deposits against terminated contracts leading to not using the funds for company's core business purposes and thus not complying with the company's code of conduct.

The amounts dues in respect of these transactions along with interest thereon have been received in full before March 31, 2023 and there are no transactions with these parties in the current financial year and there are no losses suffered by the Company.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

In April 2023, the Company had obtained a legal opinion by an independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Company, under applicable frameworks; and (b) the Company is in compliance with the requirements of applicable laws and regulations.

In its replies to SEBI, the Company has denied the charges in its entirety, inter alia, on the basis that these transactions are in full compliance with the prevailing laws and regulations.

Pending outcome of the adjudications, the Company holds to its view of the validity of the nature and effect of the transactions. Accordingly, no adjustments have been made in the financial statements of the Company.

- 45** During the current year, in line with guidance from the risk management committee and continued US Sanctions in Myanmar, the Company divested its investment in container terminal under construction in Myanmar (held through an overseas subsidiary) to Solar Energy Limited, an unrelated party (during the quarter ended March 31, 2024, the Company has also opted an independent expert opinion confirming the same) for consideration of US\$ 30 million and consequently the overseas subsidiary as referred above ceased to be the subsidiary of the Company. The Company has recorded write off on sale of investment against impairment provision of ₹ 1,558.16 crore in the previous financial year 2022-23 and balance of ₹ 194.76 crore has been classified as held for sale in previous year.
- 46** The Company effectively owns 70% stake of the Haifa Port, Israel and is closely monitoring the ongoing war situation which is now only restricted to a concentrated area. Further the Company is not having any adverse implications on the operations upto date of issuance of Company's Financial Statements.
- 47** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.
- 48** Adani Vizhinjam Port Private Limited ("AVPPL"), a wholly owned subsidiary of the Company was awarded Concession Agreement ("CA") dated August 17, 2015 by Government of Kerala ("GoK") for development of Vizhinjam International Deepwater Multipurpose Seaport ("Project"). In terms of the CA the scheduled Commercial Operation Date ("COD") of the Project was December 03, 2019 extendable to August 30, 2020 with certain conditions. On February 23, 2024, settlement agreement was signed wherein both parties decided to move out of arbitration which was initiated on November 07, 2020. GoK has granted unconditional extension of the scheduled completion date up to December 03, 2024.
- 49** 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 for most part of the year and billing interface (IPOS, PIDC & KARTOS) at application level, being not enabled for throughout the year. 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## 50 Statutory Information

- (i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (ii) 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.
- (iii) 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.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company is not declared willful defaulter by any bank or financials institution or lender during the year.
- (vi) 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.

## 51 Standards 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.

## 52 Event occurred after the Balance Sheet Date

The Board of Directors of the Company has recommended Equity dividend of ₹ 6 per equity share (previous year ₹ 5 per equity share).

As per our report of even date

### For MSKA & Associates

Chartered Accountants

Firm Registration Number : 105047W

### Samip Shah

Partner

Membership No : 128531

### For and on behalf of the Board of Directors

### Gautam S. Adani

Chairman

DIN : 00006273

### Karan Adani

Managing Director

DIN : 03088095

### Ashwani Gupta

Wholetime Director & CEO

DIN : 10455435

### D. Muthukumaran

Chief Financial Officer

### Kamlesh Bhagia

Company Secretary

Place : Ahmedabad

Date : May 02, 2024

Date : May 02, 2024

# Independent Auditor's Report

To the Members of  
**Adani Ports and Special Economic Zone Limited**

## Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of Adani Ports and Special Economic Zone Limited (hereinafter referred to as the "Holding Company") which includes the return of the one branch at Bangladesh and its subsidiaries (Holding Company, branch and its subsidiaries together referred to as "the Group") and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of branch, subsidiaries and joint ventures, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and joint ventures as at March 31, 2024, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Qualified Opinion

As described in Note 54 to the consolidated financial statements, pending outcome of the Securities and Exchange Board of India's ("SEBI") investigations, we are unable to comment on the possible consequential effect thereof on any of the periods presented in the consolidated financial statements and whether the Group has complied with any applicable laws and regulations.

This matter was also qualified in the report of the predecessor auditors on the consolidated financial statements for the year ended March 31, 2023.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our qualified opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue Recognition</b></p> <p>The Group engages in contracts with its customers wherein revenue from such contracts are recognized at a point in time, when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.</p> <p>Amount of revenue recognition in respect of price contracts has been identified as a Key Audit Matter considering that:</p> <p>a) There is a risk that services rendered may not be recorded completely and correctly which may understate or overstate the revenue.</p> <p>b) Underlying risk that services may not be recorded in the correct period due to which revenue for a particular period may be overstated or understated.</p> <p>c) Underlying risk that incorrect / inaccurate unearned income may be recognised leading to misstatement of revenue recognition.</p>	<p>Our audit procedures with respect to this area included, among others, following:</p> <ol style="list-style-type: none"> <li>1. Obtained an understanding of the systems, processes and controls implemented by the Group with respect to recognition of revenue on each contract, measurement of unbilled revenue and unearned revenue on its completion.</li> <li>2. Involved Information Technology ('IT') specialists to assess the design and operating effectiveness of the key IT controls relating to revenue recognition and in particular: <ul style="list-style-type: none"> <li>• Tested the IT controls over appropriateness of revenue reports generated by the system;</li> </ul> </li> <li>3. Verified samples on test check basis that the revenue recognized is in accordance with the applicable Indian Accounting Standard, including: <ul style="list-style-type: none"> <li>• Verification of the underlying agreements and documents to ensure appropriate identification of performance obligations, determination and allocation of transaction price (based on management estimate) basis the relevant performance obligation and that each party's rights and obligations regarding the goods or services to be transferred and payment terms are identified and contracts have commercial substance;</li> <li>• We performed test of details and tested on a sample basis contracts and documents for unearned revenue and amounts included in contract assets.</li> <li>• We tested the arithmetical accuracy of the calculation of accrual of export benefits and prevailing discount on e-Scrips.</li> </ul> </li> </ol> <p>Assessed the adequacy and appropriateness of disclosures made in consolidated financial statements in compliance with applicable Indian Accounting Standards and applicable financial reporting framework.</p>

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	<p><b>Accounting for Business Combinations – Haifa Port Company Limited and Karaikal Port Private Limited</b>  <b>Refer Note 39 accompanying to the consolidated financial statements</b></p> <p>In previous year the Group had acquired controlling stake of Haifa Port Company Limited for a consideration of ₹ 9,031 crore and during the current financial year, the Group has acquired controlling stake of Karaikal Port Private Limited for a consideration of ₹ 1,486 crore. The Group accounted for the acquisitions under the acquisition method of accounting for business combinations. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their fair values on the acquisition date. The determination of such fair values for the purpose of purchase price allocation was considered to be a key focus area of our audit as the allocation of the purchase consideration based on fair values of assets acquired and liabilities assumed involves judgments and estimates such as appropriateness of the valuation methodology applied and the discount rates applied to future cash flow forecasts.</p> <p>Accounting for Business Combination is a key audit matter considering significant estimates and management judgements involved in the assessment.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>1. We tested the design, implementation and operating effectiveness of internal controls over the allocation of purchase price to assets acquired and liabilities assumed.</li> <li>2. We evaluated the share purchase agreements and addendums thereto to understand the key terms and conditions of the acquisitions;</li> <li>3. We assessed the management's judgement applied in determining whether the acquisitions represent a business combination or an asset acquisition;</li> <li>4. Evaluating the competence and objectivity of the valuation expert engaged by the management to determine the fair values of identifiable assets and liabilities;</li> <li>5. Involving our valuation experts to assist us in evaluating the reasonableness of valuation methodology and appropriateness of key assumptions used such as discount rate, with reference to our understanding of the Group's business and industry, historical trends and underlying business strategies and growth plans;</li> <li>6. Ensured that financial information for Haifa Port Company Limited in the consolidated financial statements in respect of prior period is restated as the business combination had occurred in the preceding period.</li> <li>7. Assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements in compliance with the requirements of Ind AS 103: "Business Combinations".</li> </ol>

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
3	<p><b>Assessing carrying value of goodwill for impairment testing</b></p> <p>As at March 31, 2024, the Group's carrying value of goodwill is ₹ 6,906.93 crore. In accordance with Ind AS, goodwill needs to be tested for impairment at every reporting period. Recoverability of the carrying value of goodwill is predicated upon appropriate attribution of goodwill to a cash generating unit (CGU) or group of cash generating units (CGUs) and determination of recoverable amount of the underlying CGUs.</p> <p>Significant Management judgement is required in the area of impairment testing, particularly in assessing whether the carrying value of the CGU including the goodwill can be supported by the recoverable amount. Recoverability of the carrying values of goodwill is dependent on future cash flows of the underlying CGUs and there is a risk that if these cash flows do not meet management's expectations, the assets will be impaired.</p> <p>The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, net profit margin, perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.</p> <p>Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group.</p> <p>In view of the foregoing, valuation and allocation of goodwill has been identified as a Key Audit Matter.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>1. Combination of testing the design, implementation and operating effectiveness in respect of management's basis for allocation of goodwill to CGUs and determination of recoverable amounts to measure the impairment provision, if any, that needs to be accounted for.</li> <li>2. As part of our substantive testing procedures, we have examined management's judgement and estimates in the area of impairment testing by considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows and retrospective review of the projections.</li> <li>3. Involved valuation specialists where considered necessary, to independently assess the assumptions and methodologies used by the Group in computing the recoverable amount. In making this assessment, we also assessed the objectivity, independence and competency of the valuation specialists.</li> <li>4. Obtained suitable management representation on the projections of future cash flows and the various assumptions used in the valuation. Tested the arithmetical accuracy of the management's impairment testing model.</li> <li>5. Assessed the adequacy of relevant disclosures made in the consolidated financial statements.</li> </ol>

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
4	<p><b>Hedge Accounting – Refer note 2.3(r), 34.3 and 49 accompanying to the consolidated financial statements</b></p> <p>The Group has applied hedge accounting requirements as per Ind AS 109 'Financial Instruments' wherein certain derivative contracts have been designated as hedging instruments in 'Cash flow hedge' relationships. These arrangements have been entered into to mitigate foreign currency exchange risk and interest rate risk arising from certain debt instruments denominated in foreign currency. The derivatives are measured at fair value as per Ind AS 109. Mark to market gain/loss on these derivatives are recognised in the other comprehensive income for cash flow hedges.</p> <p>In view of significance and impact on financial statements we have identified it as a key audit matter.</p>	<p>We have applied following audit procedure in this regard:</p> <ul style="list-style-type: none"> <li>a) Discussing and understanding management's perception and studying policy of the Group for risk management. Motive of derivative transactions are studied and observed underlying exposure is not more than the volume of derivatives.</li> <li>b) Verification of fair value of derivative in terms of Ind AS 109.</li> <li>c) Testing the accuracy and completeness of derivative transactions.</li> <li>d) Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments.</li> <li>e) Obtained details of various financial derivative contracts as outstanding as on March 31, 2024.</li> <li>f) Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts.</li> <li>g) We also obtained confirmations from the banks with whom such financial derivative contracts have been entered into and independently compared the valuation so arrived at by the contracting banks.</li> <li>h) Additionally, we have verified the accounting of gain/loss on mark to market basis in the other comprehensive income for cash flow hedges.</li> <li>i) Assessing whether the financial statement disclosures appropriately reflect the Group's exposure to derivatives valuation risks with reference to the requirements of the prevailing accounting standards and Reserve Bank of India Guidelines.</li> </ul>

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report and Management Discussion and Analysis but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether

the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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. As described in the Basis for Qualified Opinion section above, pending outcome of the Securities and Exchange Board of India's ("SEBI") investigations, we are unable to comment on the possible consequential effect thereof on any of the periods presented in the consolidated financial statements and whether the Group has complied with any applicable laws and regulations. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its joint ventures for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing ("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 consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the consolidated financial statements.

## Other Matters

- a. We did not audit the financial statements of 98 subsidiaries, whose financial statements reflect total assets of ₹ 60,614.92 crore as at March 31, 2024, total revenues of ₹ 7,770.03 crore and net cash flows amounting to ₹ 42.43 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including total other comprehensive income) of ₹ 118.43 crore for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 21 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial information and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements and other financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by

the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of ₹ 0.34 crore as at March 31, 2024, total revenues of ₹ 0.20 crore and net cash flows amounting to ₹ 23.77 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ Nil for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of 1 joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

We did not audit the financial statements of 1 branch which reflects total assets of ₹ 11.54 crore as at March 31, 2024 and total revenues of ₹ 13.29 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the branch auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this branch and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid branch is based solely on the reports of the branch auditor.

Above branch is located outside India whose financial statements has been prepared in accordance with the accounting principles generally accepted in their respective country and which has been audited by branch auditor under generally accepted auditing standards applicable in their respective country. The Holding Company's Management has converted the financial statements of such branch

located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. These conversion adjustments have not been audited. Our opinion on the financial statements, in so far as it relates to the financial statements of such branch located outside India is based on the report of branch auditor and the conversion adjustments prepared by the Management of the Holding Company. In our opinion and according to the information and explanations given to us by the Management, this financial statements is not material to the Group.

- b. The consolidated financial statements of the Group for the year ended March 31, 2023, were audited by another auditor. They had modified their report dated May 30, 2023, with respect to matter as described in Basis for Qualification Opinion section above.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate Financial Statements of the subsidiaries and joint ventures referred to in the Other Matters section above we report, to the extent applicable, that:
  - a. We have sought and except for the possible effect of the matter described in the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the effects of the matter described in the Basis of Qualified Opinion section above and for the matters stated in the paragraph 2(j)(vi) below on reporting under rule 11(g).
  - c. The reports on the accounts of the branch office of the Holding Company audited under Section 143 (8) of the Act by branch auditor have been sent to us and have been properly dealt with in preparing this report.
  - d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement

of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- e. Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- f. The matter described in Basis of Qualified Opinion section of our report, in our opinion, may have an adverse effect on the functioning of the Group.
- g. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group companies and its joint ventures incorporated in India are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- h. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above and as stated in paragraph 2(b) above on reporting under Section 143(3) (b) and paragraph 2(j)(vi) below on reporting under Rule 11(g).
- i. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, its joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures – Refer Note 36 to the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 33 to the consolidated financial statements.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and joint ventures incorporated in India.
- iv. (a) The respective Managements of the Holding Company and its subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 51 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint ventures 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 51 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint ventures shall, directly or indirectly, lend or invest in other persons or entities

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act and according to the information and explanations provided to us by the Management of the Holding company in this regard, except for the possible effects of the matters described in the Basis for Qualified Opinion section above, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. On the basis of our verification and on consideration of the reports of the statutory auditors of subsidiaries and joint ventures that are Indian companies under the Act, we report that:

The final dividend paid by the Holding Company and its subsidiaries during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend.

The interim dividend declared and paid by the joint ventures during the year and until the date of this audit report is in accordance with section 123 of the Companies Act, 2013.

The Board of Directors of the Holding Company, its subsidiaries and joint ventures have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 13 to the consolidated financial statements)

vi. Reporting on Audit Trail:

Based on our examination which included test checks, and based on the consideration of the report of other auditors of its subsidiaries and joint venture companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Parent Company, its subsidiaries and its joint venture companies incorporated in India have used accounting softwares for maintaining their respective books of account for the year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, and further, we did not come across any instance of audit trail feature being tampered with.

- a) In respect of the Parent Company, 86 subsidiaries and 5 joint venture companies incorporated in India, the accounting software used by these entities for maintaining its books of account for the year ended March 31, 2024 had a feature of recording audit trail (edit log) facility, which was enabled, and the audit trail facility has been operated throughout the year for all relevant transactions recorded in the accounting software, except for certain direct changes to data when using certain access rights at the application level, in respect of which the audit trail facility has not operated throughout the year, and also at the database level, in respect of which the audit trail facility has not operated for most part of the year for all relevant transactions recorded in this accounting software.
- b) In respect of 1 subsidiary company incorporated in India, the accounting software used by these entities for maintaining its books of account for the year ended March 31, 2024 did not have a feature of recording audit trail (edit log) facility.
- c) In respect of 1 joint venture company incorporated in India, the accounting software used by this entity for maintaining its books of account for the year ended

March 31, 2024 did not have the audit trail feature enabled at the database level in respect of the accounting software to log any direct data changes for the period of first 16 days of the financial year during implementation of the feature in the accounting software, as a result of which the audit trail feature has not operated throughout the year for all relevant transactions recorded in the software.

- d) In respect of 2 joint venture companies incorporated in India, the accounting software used by these entities for maintaining its books of account for the year ended March 31, 2024 did not have the audit trail feature enabled at the application level as well as database level in respect of the accounting software to log any direct data changes, as a

result of which the audit trail feature has not operated throughout the year for all relevant transactions recorded in the software.

- e) In respect of the Parent Company, 7 subsidiaries and 2 joint venture companies incorporated in India, the revenue application accounting softwares used by these entities for maintaining its revenue records within its books of account for the year ended March 31, 2024, did not have a feature of recording audit trail (edit log) facility.

2. In our opinion and according to information and explanations given to us, the remuneration paid by the Group, and its joint ventures to its directors is within the limits prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by us and the respective auditors of the subsidiaries and joint ventures in the Companies (Auditor's Report) Order, 2020 (CARO) Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No.	Name of the Company	CIN	Type of Company (Holding / Subsidiary/ Joint Venture)	Clause number of the CARO Report which is Qualified or Adverse
1	Adani Ports and Special Economic Zone Limited	L63090GJ1998PLC034182	Holding	Clause i(c), iii(c), xiii
2	Adani Logistics Limited	U63090GJ2005PLC046419	Subsidiary	Clause i(c), iii(c)
3	Adani Harbour Services Limited	U61100GJ2009FLC095953	Subsidiary	Clause xiii
4	Adani Krishnapatnam Port Limited	U45203GJ1996PLC128239	Subsidiary	Clause i(c), xiii
5	Adani International Container Terminal Private Limited	U61200GJ2011PTC065095	Joint Venture	Clause i(c)
6	Adani Hazira Port Limited	U45209GJ2009PLC058789	Subsidiary	Clause i(c), xiii
7	Adani CMA Mundra Terminal Private Limited	U61200GJ2014PTC080300	Joint Venture	Clause i(c)
8	Adani Gangavaram Port Limited	U61100GJ2021PLC124091	Subsidiary	Clause xiii
9	The Dhamra Port Company Limited	U45205OR1998PLC005448	Subsidiary	Clause xiii
10	Shankheshwar Buildwell Limited	U45201GJ2008PLC052844	Subsidiary	Clause i(c), xvii
11	Dighi Port Limited	U35110MH2000PLC127953	Subsidiary	Clause i(c), xvii
12	Adani Forwarding Agent Limited	U60100GJ2010PLC118103	Subsidiary	Clause i(c)
13	Adani Vizhinjam Port Private Limited	U61200GJ2015PTC083954	Subsidiary	Clause i(c)
14	Adani Murmugao Port Terminal Private Limited	U61100GJ2009PTC057727	Subsidiary	Clause xvii
15	Dhamra LNG Terminal Private Limited	U11200GJ2015PTC081996	Joint Venture	Clause xiii, xiv(b), xvii
16	Adani Agri Logistics (Kannauj) Limited	U63030GJ2017PLC095059	Subsidiary	Clause xvii
17	Adani Agri Logistics (Panipat) Limited	U63030GJ2017PLC095073	Subsidiary	Clause xvii

**ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED**

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Sr. No.	Name of the Company	CIN	Type of Company (Holding / Subsidiary/ Joint Venture)	Clause number of the CARO Report which is Qualified or Adverse
18	Adani Vizag Coal Terminal Private Limited	U45203GJ2011PTC064976	Subsidiary	Clause xvii
19	Mundra International Airport Limited	U62200GJ2009PLC057726	Subsidiary	Clause xvii
20	Adani Kandla Bulk Terminal Private Limited	U63090GJ2012PTC069305	Subsidiary	Clause xvii
21	Adani Agri Logistics (Dhamora) Limited	U74999GJ2018PLC103574	Subsidiary	Clause xvii
22	Seabird Distriparks (Krishnapatnam) Limited	U74900GJ2012PLC095776	Subsidiary	Clause xvii
23	Adani Agri Logistics (Katihar) Limited	U63090GJ2016PLC086566	Subsidiary	Clause xvii
24	Adani Total Private Limited	U11201GJ2016PTC091695	Joint Venture	Clause xiv (b)

Respective auditors of 37 subsidiaries and 2 joint ventures (non-operational in nature) have given Qualifications/ adverse remarks in the Companies (Auditor's Report) Order 2020, (CARO) Reports issued by them with respect to Clause xvii.

Further, as per information and explanation given to us by the Holding Company, the following companies included in the consolidated financial statements for the year ended March 31, 2024 and covered under that Act, but for which the respective reports under Section 143(11) of the Act have not yet issued by the respective statutory auditors.

Name of the Company	CIN	Nature of Ownership
Dighi Roha Rail Limited	U74140DL2015PLC285745	Joint Venture
Poseidon Leasing IFSC Limited	U66190GJ2024PLC148434	Subsidiary

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Samip Shah**

Partner

Membership No. 128531

UDIN: 24128531BKFFVD5418

Place: Ahmedabad  
Date: May 02, 2024

## Annexure A to the Independent Auditor's Report on even date on the Consolidated Financial Statements of Adani Ports and Special Economic Zone Limited

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors.
- Conclude on the appropriateness of the management and board of director'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 ability of the Group and its joint ventures 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 consolidated 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 Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

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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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated

financial statements for the year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Samip Shah**

Partner

Membership No. 128531

UDIN: 24128531BKFFVD5418

Place: Ahmedabad

Date: May 02, 2024

## Annexure B to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Adani Ports And Special Economic Zone Limited

[Referred to in paragraph 1(i) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Adani Ports and Special Economic Zone Limited on the Consolidated Financial Statements for the year ended March 31, 2024]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Adani Ports and Special Economic Zone Limited (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company's one (1) branch and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which are companies incorporated in India, as of that date.

Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to 4 subsidiaries and 2 joint ventures incorporated in India, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

### Qualified Opinion

In our opinion except, for the possible effects of the material weakness described in Basis for Qualified Opinion section below on the achievement of the objectives of the control criteria, the Group and its joint ventures, which are companies incorporated in India have maintained, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements

were operating effectively as of March 31, 2024, based on the internal financial control with reference to consolidated financial statements criteria established by the respective companies 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").

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company for the year ended March 31, 2024, and we have issued a qualified opinion on the consolidated financial statements of the Company.

### Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, and pending outcome of the SEBI investigation as explained in the 'Basis of Qualified opinion' of our Independent Auditors' report, the Group does not have an internal control system for identifying and confirming related party relationships, which could potentially result in non-compliance with laws and regulations.

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

## Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary companies, and joint ventures, which are companies incorporated in India.

## Meaning of Internal Financial Controls With reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

## Inherent Limitations of Internal Financial Controls With reference to Consolidated Financial Statements

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

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 89 subsidiary companies and 17 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Samip Shah**

Partner

Membership No. 128531

UDIN: 24128531BKFFVD5418

Place: Ahmedabad

Date: May 02, 2024

# Consolidated Balance Sheet

as at March 31, 2024

₹ in crore

Particulars	Notes	As at March 31, 2024	As at March 31, 2023*
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3 (a)	51,803.83	48,483.88
Right-of-Use Assets	3 (b)	3,809.11	3,864.16
Capital Work-in-Progress	3 (e)	10,936.09	6,636.77
Investment Properties	3 (f)	1,345.30	1,302.23
Goodwill	3 (d)	6,906.93	6,907.47
Other Intangible Assets	3 (c)	11,282.64	11,665.99
Investments accounted using Equity Method	4 (a)	2,707.26	2,498.38
<b>Financial Assets</b>			
Investments	4 (b)	919.61	987.43
Loans	6	55.00	1,582.15
Loans to Joint Venture Entities	6	4.52	6.70
Other Financial Assets			
- Bank Deposits having maturity over twelve months	11	1,523.53	1,467.43
- Other Financial Assets other than above	7	3,167.65	5,289.31
Deferred Tax Assets (net)	27	1,918.67	2,199.90
Other Non-Current Assets	8	5,065.37	4,274.90
		<b>1,01,445.51</b>	<b>97,166.70</b>
<b>Current Assets</b>			
Inventories	9	437.51	451.97
<b>Financial Assets</b>			
Investments	10	661.79	3,945.84
Trade Receivables	5	3,666.94	3,257.95
Customers' Bills Discounted	5	-	699.12
Cash and Cash Equivalents	11	1,575.73	1,121.11
Bank Balances other than Cash and Cash Equivalents	11	6,056.15	3,213.20
Loans	6	64.00	107.77
Loans to Joint Venture Entities	6	205.01	300.33
Other Financial Assets	7	3,441.08	1,393.10
Other Current Assets	8	1,177.40	1,164.74
		<b>17,285.61</b>	<b>15,655.13</b>
<b>Assets Held for Sale</b>	40	186.75	1,941.26
<b>Total Assets</b>		<b>1,18,917.87</b>	<b>1,14,763.09</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	432.03	432.03
Other Equity	13	52,512.74	45,123.89
Total Equity attributable to Equity holders of the parent		<b>52,944.77</b>	<b>45,555.92</b>
Non-Controlling Interests		1,598.23	1,361.06
<b>Total Equity</b>		<b>54,543.00</b>	<b>46,916.98</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	37,662.93	46,516.94
Lease Liabilities	15	2,953.28	2,687.29
Other Financial Liabilities	16	360.11	322.84
Provisions	20	1,100.75	1,215.50
Deferred Tax Liabilities (net)	27	4,169.87	3,424.58
Other Non-Current Liabilities	17	1,664.99	1,148.84
		<b>47,911.93</b>	<b>55,315.99</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	8,616.30	3,302.37
Customers' Bills Discounted	18	-	699.12
Lease Liabilities	15	71.20	61.97
Trade Payables	19		
- total outstanding dues of micro enterprises and small enterprises		152.50	98.88
- total outstanding dues of creditors other than micro enterprises and small enterprises		2,014.86	2,197.16
Other Financial Liabilities	16	3,501.54	2,620.96
Other Current Liabilities	17	1,832.45	1,809.41
Provisions	20	193.44	187.45
Current Tax Liabilities (net)	27	33.10	31.34
		<b>16,415.39</b>	<b>11,008.66</b>
<b>Liabilities associated with Assets classified as Held for Sale</b>	40	47.55	1,521.46
<b>Total Liabilities</b>		<b>64,374.87</b>	<b>67,846.11</b>
<b>Total Equity And Liabilities</b>		<b>1,18,917.87</b>	<b>1,14,763.09</b>

\*Restated (refer note 39(i))

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

**For M S K A & Associates**

Chartered Accountants

Firm Registration Number : 105047W

**Samip Shah**

Partner

Membership No. 128531

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

**Gautam S. Adani**

Chairman

DIN : 00006273

**Karan Adani**

Managing Director

DIN : 03088095

**Ashwani Gupta**

Wholetime Director & CEO

DIN : 10455435

**D. Muthukumaran**

Chief Financial Officer

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad

Date : May 02, 2024

Date : May 02, 2024

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

₹ in crore

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023*
<b>INCOME</b>			
Revenue from Operations	21	26,710.56	20,851.91
Other Income	22	1,499.42	1,552.71
<b>Total Income</b>		<b>28,209.98</b>	<b>22,404.62</b>
<b>EXPENSES</b>			
Operating Expenses	23	7,116.34	5,654.56
Employee Benefits Expense	24	1,896.40	1,178.17
Finance Costs	25		
Interest and Bank Charges		2,784.41	2,593.62
Derivative Gain (net)		(51.47)	(230.98)
Foreign Exchange Loss (net)		112.82	1,886.32
Depreciation and Amortisation Expense	3	3,888.46	3,424.71
Other Expenses	26	1,833.90	1,185.73
<b>Total Expenses</b>		<b>17,580.86</b>	<b>15,692.13</b>
<b>Profit before share of profit/(loss) from joint ventures, exceptional items and tax</b>		<b>10,629.12</b>	<b>6,712.49</b>
Share of profit/(loss) from joint venture (net)		(161.69)	47.78
<b>Profit Before Exceptional items and Tax</b>		<b>10,467.43</b>	<b>6,760.27</b>
Exceptional Items	55 & 56	(373.70)	(1,273.38)
<b>Profit before tax</b>		<b>10,093.73</b>	<b>5,486.89</b>
<b>Tax expense:</b>	27		
Current tax		1,134.73	977.90
Deferred tax		399.85	(881.86)
<b>Exceptional Item</b>			
Write off of past MAT credit on election of new tax regime (net)	57	455.16	-
<b>Total Tax Expense</b>		<b>1,989.74</b>	<b>96.04</b>
<b>Profit for the year</b>	(A)	<b>8,103.99</b>	<b>5,390.85</b>
<b>Attributable to:</b>			
Equity holders of the parent		8,110.64	5,308.85
Non-controlling interests		(6.65)	82.00
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
Re-measurement Gain on defined benefit plans		10.47	13.36
Income tax impact		(0.16)	(0.33)
		<b>10.31</b>	<b>13.03</b>
Net (Loss)/Gain on FVTOCI Investments	4(ii) & 10(i)	(7.13)	107.48
Income tax impact		4.25	(0.69)
		<b>(2.88)</b>	<b>106.79</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>			
Share in other comprehensive income of joint ventures (net of tax)		34.28	20.77
Exchange difference on translation of foreign operations		136.18	(149.42)
		<b>170.46</b>	<b>(128.65)</b>
Effective portion of Loss on designated portion of cash flow hedge		(279.75)	(732.99)
Income tax impact		70.41	184.49
		<b>(209.34)</b>	<b>(548.50)</b>
<b>Total Other Comprehensive Loss for the year (net of tax)</b>	(B)	<b>(31.45)</b>	<b>(557.33)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(40.11)	(563.51)
Non-controlling interests		8.66	6.18
<b>Total Comprehensive income for the year (net of tax)</b>	(A)+(B)	<b>8,072.54</b>	<b>4,833.52</b>
<b>Attributable to:</b>			
Equity holders of the parent		8,070.53	4,745.34
Non-controlling interests		2.01	88.18
Earnings per Share - (Face value of ₹ 2 each) Basic and Diluted (in ₹)	28	37.55	24.58

\*Restated (refer note 39(i))

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

**For M S K A & Associates**

Chartered Accountants

Firm Registration Number : 105047W

**Samip Shah**

Partner

Membership No. 128531

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

**Gautam S. Adani**

Chairman

DIN : 00006273

**Karan Adani**

Managing Director

DIN : 03088095

**Ashwani Gupta**

Wholtime Director & CEO

DIN : 10455435

**D. Muthukumar**

Chief Financial Officer

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad

Date : May 02, 2024

Date : May 02, 2024

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

₹ in crore

Particulars	Attributable to equity holders of the parent											Non-controlling interests	Total equity*			
	Equity Share Capital	Equity Component Of Non-Cumulative Redeemable Preference Shares	Share Pending Issuance	Other Equity Reserves and Surplus						Other Comprehensive Income				Total		
				Securities Premium	Capital Reserve	Debt Redemption Reserve	Tonnage Tax Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve				Cash Flow Hedge Reserve	Equity instrument through OCI
<b>Balance as at April 1, 2022</b>	422.47	166.53	3,605.26	6,151.66	5.95	632.74	991.13	7.84	2,812.13	27,037.02	(67.46)	24.22	178.73	41,968.22	392.77	42,360.99
Profit for the year	-	-	-	-	-	-	-	-	-	5,308.85	-	-	-	5,308.85	82.00	5,390.85
<b>Other Comprehensive Income</b>																
Re-measurement gains on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	-	13.03	-	-	-	13.03	-	13.03
Net Gain on FVTOCI Investments (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	107.10	107.10	(0.31)	106.79
Effective portion of Loss on designated portion of cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	-	-	(548.50)	-	(548.50)	-	(548.50)
Share in other comprehensive income of joint venture (net of tax)	-	-	-	-	-	-	-	-	-	-	-	20.77	-	20.77	-	20.77
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	(155.91)	-	-	(155.91)	6.49	(149.42)
<b>Total Comprehensive Income for the year</b>																
Dividend on shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1056.19)
Dividend to Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(37.16)
Transfer to General Reserve	-	-	-	-	-	(41.17)	-	-	41.17	-	-	-	-	-	-	-
Adjustment on Acquisition of Non-Controlling Interests	-	-	-	-	-	-	-	-	-	3.50	-	-	-	3.50	(28.63)	(25.13)
Non-controlling interests adjustment on Acquisition & others	-	-	-	-	95.41	-	-	-	-	-	-	0.57	-	95.98	859.51	955.49
Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note 12(a)(i) & 58)	9.56	-	(3,605.26)	3,595.70	-	-	-	-	-	-	-	-	-	-	-	-
Increase in share capital of Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86.39	86.39
Consideration paid to Non-Controlling Interests and other adjustment**	-	-	-	-	-	-	-	-	-	(220.93)	-	-	-	(220.93)	-	(220.93)
Transfer to Debt Redemption Reserve	-	-	-	-	-	109.88	-	-	-	(109.88)	-	-	-	-	-	-
Transfer from/to Tonnage Tax Reserve	-	-	-	-	-	-	272.22	-	-	(272.22)	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>432.03</b>	<b>166.53</b>	-	<b>9,747.36</b>	<b>101.36</b>	<b>701.45</b>	<b>1,263.35</b>	<b>7.84</b>	<b>2,853.30</b>	<b>30,723.18</b>	<b>(222.80)</b>	<b>(503.51)</b>	<b>285.83</b>	<b>45,555.92</b>	<b>1,361.06</b>	<b>46,916.98</b>

\*Restated (refer note 39(i))

\*\*In earlier year, the Group has paid amount towards non-compete fees for acquiring geographical exclusivity for the term of five years. As per the provision of Accounting Standards, the Group has reassessed the accounting treatment being transaction linked with acquisition of the remaining stake from Non-controlling interest. Accordingly, unamortised amount of ₹ 220.46 crore has been adjusted from Intangible Assets to Retained Earnings during the year ended March 31, 2023.

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

₹ in crore

Particulars	Attributable to equity holders of the parent											Non-controlling interests	Total equity		
	Equity Share Capital	Other Equity													
		Reserves and Surplus													
		Equity Component Of Non-Cumulative Redeemable Preference Shares	Securities Premium	Capital Reserve	Debt Redemption Reserve	Tonnage Tax Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve			Equity instrument through OCI	Total
Balance as at April 01, 2023	432.03	166.53	9,747.36	101.36	701.45	1,263.35	7.84	2,853.30	30,723.18	(222.80)	(503.51)	285.83	45,555.92	1,361.06	46,916.98
Profit for the year	-	-	-	-	-	-	-	8,110.64	-	-	-	-	8,110.64	(6.65)	8,103.99
Other Comprehensive Income	-	-	-	-	-	-	-	-	7.21	-	-	-	7.21	3.10	10.31
Re-measurement gains on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Loss on FVTOCI Investments (net of tax)	-	-	-	-	-	-	-	-	-	-	-	(4.05)	(4.05)	1.17	(2.88)
Effective portion of Loss on designated portion of cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	-	(209.34)	-	(209.34)	-	(209.34)
Share in other comprehensive income of joint venture (net of tax)	-	-	-	-	-	-	-	-	74.57	-	(40.29)	-	34.28	-	34.28
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	131.79	-	-	131.79	4.39	136.18
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	<b>8,192.42</b>	<b>131.79</b>	<b>(249.63)</b>	<b>(4.05)</b>	<b>8,070.53</b>	<b>2.01</b>	<b>8,072.54</b>
Dividend on shares	-	-	-	-	-	-	-	-	(1,080.07)	-	-	-	(1,080.07)	-	(1,080.07)
Transfer to General Reserve	-	-	-	-	(108.33)	-	-	108.33	-	-	-	-	-	-	-
Capital reserve on acquisition (refer note 39(i)(1))	-	-	-	398.39	-	-	-	-	-	-	-	-	398.39	-	398.39
Increase in share capital of Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	235.16	235.16
Transfer to Debt Redemption Reserve	-	-	-	-	133.95	-	-	-	(133.95)	-	-	-	-	-	-
Transfer from/to Tonnage Tax Reserve	-	-	-	-	-	505.89	-	-	(505.89)	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>432.03</b>	<b>166.53</b>	<b>9,747.36</b>	<b>499.75</b>	<b>727.07</b>	<b>1,769.24</b>	<b>7.84</b>	<b>2,961.63</b>	<b>37,195.69</b>	<b>(91.01)</b>	<b>(753.14)</b>	<b>281.78</b>	<b>52,944.77</b>	<b>1,598.23</b>	<b>54,543.00</b>

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

**For M S K A & Associates**

Chartered Accountants

Firm Registration Number : 105047W

**Samip Shah**

Partner

Membership No. 128531

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

**Gautam S. Adani**

Chairman

DIN : 00006273

**Karan Adani**

Managing Director

DIN : 03088095

**Ashwani Gupta**

Wholtime Director & CEO

DIN : 10455435

**Kamlesh Bhagia**

Company Secretary

**D. Muthukumar**

Chief Financial Officer

Place : Ahmedabad

Date : May 02, 2024

Date : May 02, 2024

## Consolidated Statement of Cash Flows

for the year ended March 31, 2024

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023*
<b>A. Cash Flows from Operating Activities</b>		
<b>Profit before Tax</b>	<b>10,093.73</b>	<b>5,486.89</b>
Adjustments for :		
Share of loss/(profit) from Joint Ventures	161.69	(47.78)
Depreciation and Amortisation Expense	3,888.46	3,424.71
Unclaimed Liabilities / Excess Provision Written Back	(99.12)	(20.85)
Cost of Assets transferred under Finance Lease	5.27	8.38
Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(75.37)	(69.57)
Financial Guarantees Income	(8.54)	(6.53)
Amortisation of Government Grant	(20.61)	(16.34)
Finance Costs	2,784.41	2,593.62
Effect of Exchange Rate Change	328.79	2,527.76
Derivative Gain (net)	(51.47)	(230.98)
Gain on fair valuation of Financial Instruments	(5.31)	(7.49)
Interest Income	(860.19)	(1,246.28)
Dividend Income	(209.51)	(0.35)
Net Gain on Sale of Current Investments	(19.41)	(20.71)
Exceptional Items (refer note 55 & 56)	373.70	1,273.38
Investment accounted using Equity Method	-	1.00
Diminution in value of Inventories	19.70	30.77
Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
Gain on Sale / Discard of Property, Plant and Equipment (net)	(8.89)	(60.32)
<b>Operating Profit before Working Capital Changes</b>	<b>16,299.05</b>	<b>13,621.03</b>
Adjustments for :		
Increase in Trade Receivables	(329.79)	(747.74)
Decrease / (Increase) in Inventories	8.09	(66.66)
Decrease / (Increase) in Financial Assets	436.12	(563.28)
(Increase) / Decrease in Other Assets	(138.64)	45.55
Increase / (Decrease) in Provisions	40.90	(136.32)
(Decrease) / Increase in Trade Payables	(365.06)	132.73
Increase in Financial Liabilities	149.37	219.74
Increase in Other Liabilities	189.46	241.85
<b>Cash Generated from Operations</b>	<b>16,289.50</b>	<b>12,746.90</b>
Direct Taxes paid (Net of Refunds)	(1,271.92)	(847.40)
<b>Net Cash Generated from Operating Activities</b>	<b>15,017.58</b>	<b>11,899.50</b>
<b>B. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	(7,416.30)	(9,141.04)
Proceeds from Sale of Property, Plant and Equipment	26.71	203.79
Deposit given against Capital Commitments	-	(961.00)
Refund of Deposit given against Capital Commitments	2,036.63	1,510.00
Payment for acquisition of subsidiaries	(3,101.73)	(13,222.17)
Equity Investment in Joint Venture entities	(16.03)	(1,206.90)
Investment in Debentures	-	(256.00)
Investment in Equity Shares	(114.19)	-
Investment in Preference share of Joint Venture entities	(403.04)	(1.71)
Proceeds from loss of control of subsidiary	247.77	-
Loans / Inter Corporate Deposits (ICDs) given	(18.23)	(19,975.68)
Loans / Inter Corporate Deposits (ICDs) received back	206.40	21,365.98
(Deposit in) / Proceeds from Fixed Deposits (net) including Margin Money Deposits	(2,882.65)	526.67
Investment in Financial Instruments (net)	-	(64.64)
Proceeds from Sale of Current Investments (net)	3,305.05	201.27
Dividend Received	213.90	0.35
Interest Received	969.16	1,461.00
<b>Net Cash Used in Investing Activities</b>	<b>(6,946.55)</b>	<b>(19,560.08)</b>

# Consolidated Statement of Cash Flows

for the year ended March 31, 2024

₹ in crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023*
<b>C. Cash Flows from Financing Activities</b>		
Proceeds from Non-Current Borrowings	1,929.75	7,445.87
Repayment of Non-Current Borrowings	(5,583.81)	(1,710.69)
Repayment of Current Borrowings (net)	(474.97)	(5,389.83)
Payment for acquisition of Non-Controlling Interests	-	(25.02)
Proceeds from Issue of Equity Shares to Non-Controlling Interests	235.16	945.50
Interest & Finance Charges paid	(2,808.51)	(2,371.00)
Repayment of Lease Liabilities	(47.53)	(53.01)
Gain/(Loss) on settlement of Derivative Contracts (net)	29.48	(482.71)
Payment of Dividend on Equity and Preference Shares	(1,079.68)	(1,092.91)
<b>Net Cash Used in Financing Activities</b>	<b>(7,800.11)</b>	<b>(2,733.80)</b>
<b>D. Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>270.92</b>	<b>(10,394.38)</b>
<b>E. Cash and Cash Equivalents at the Beginning of the year (refer note 11)</b>	<b>1,125.82</b>	<b>8,676.05</b>
<b>F. Cash and Cash Equivalents on acquisition of subsidiaries (refer note 39)</b>	<b>178.99</b>	<b>3,057.66</b>
<b>G. Net movement relating to Assets Classified as held for sale</b>	<b>-</b>	<b>(213.51)</b>
<b>H. Cash and Cash Equivalents at the End of the year (refer note 11)</b>	<b>1,575.73</b>	<b>1,125.82</b>

\*Restated (refer note 39(i))

Summary of material accounting policies refer note 2.3

## Notes:

- The Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 - Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) 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 16(a).

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

### For M S K A & Associates

Chartered Accountants

Firm Registration Number : 105047W

### Samip Shah

Partner

Membership No. 128531

### For and on behalf of the Board of Directors

### Gautam S. Adani

Chairman

DIN : 00006273

### D. Muthukumaran

Chief Financial Officer

### Karan Adani

Managing Director

DIN : 03088095

### Kamlesh Bhagia

Company Secretary

### Ashwani Gupta

Wholetime Director & CEO

DIN : 10455435

Place : Ahmedabad

Date : May 02, 2024

Date : May 02, 2024

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 1 Corporate information

The Consolidated financial statements comprise financial statements of Adani Ports and Special Economic Zone Limited ("the Company" or "APSEZL") (CIN : L63090GJ1998PLC034182) , subsidiaries and joint venture entities (collectively, the "Group") for the year ended March 31, 2024. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat, India - 382421.

The Group has port infrastructure facilities developed/acquired at Mundra, Kandla, Hazira, Dahej, Dhamra, Vizag, Murmugao, Kattupalli, Ennore, Krishnapatnam, Dighi, Gangavaram, Haifa and Karaikal locations operating under respective concession/sub concession agreements. Apart from other businesses, the Group is also developing Port Infrastructure at Vizhinjam and Colombo.

The Company is in the business of development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Port at Mundra. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional port terminals and south port terminal infrastructure facilities which are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years period effective from February 17, 2001. At Mundra, the Company has expanded port infrastructure facilities at West Basin through GoG approval for which the concession period will be effective till the year 2040, primarily to handle coal cargo. The said supplementary concession agreement is in the process of getting signed with GoG and GMB although Coal terminal at Wandh is recognized as commercially operational w.e.f. February 01, 2011.

The first Container Terminal facility (CT-1) developed at Mundra, was transferred under a Sub-Concession Agreement entered on January 7, 2003 between Mundra International Container Terminal Limited (MICTL) and the Company in line with the Concession Agreement, wherein the ownership of the asset (CT 1) was transferred by the Company to the MICTL. MICTL was given rights to handle container cargo at the CT 1 Terminal for a period that was co-terminus with the Concession Agreement of Mundra Port, i.e. till February 16, 2031. The container terminal facilities developed at South Port location include CT-3, for development of which the Company had entered into an agreement with the Adani International Container Terminal Private Limited (AICTPL), a 50:50 Joint Venture between the Company and Mundi Limited (subsidiary of (Mediterranean Shipping Company) MSC shipping line). AICTPL is a sub-concessionaire as per the arrangement and the ownership of the CT 3 Terminal is transferred to AICTPL in line with the Sub-Concession Agreement dated October 17, 2011. The period of the said Sub-Concession Agreement is also co-terminus with the Concession Agreement of Mundra Port, and during the said period AICTPL can handle container cargo at CT 3 terminal. In the financial year 2017-18, Sub-Concession Agreement was entered into for the extension of CT 3 Terminal. This terminal, an extension of CT 3 was developed and ownership of the same was also transferred to AICTPL in line with the above. Operations commenced at CT 3 Extension w.e.f. November 01, 2017.

As part of South Port, the third Container Terminal is CT 4, the ownership of this terminal is also transferred after development to a sub-concessionaire in line with the Mundra Concession Agreement; who in this case is Adani CMA Mundra Terminal Private Limited (ACMTPL), a 50:50 Joint Venture between the Company and CMA Terminals, France (joint venture agreement dated July 30, 2014). The company has already obtained sub-concessionaire approval from GMB/GoG for container terminals that are developed and operated under sub-concession route. However, the Sub-Concession Agreements for Terminals of CT 3, CT 3 Extension and CT 4 are to be approved by GOG for the final signing between parties and GMB as confirming party.

The Multi Product Special Economic Zone developed at Mundra by the Company along with port infrastructure facilities is approved by the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 and subsequently amended from time to time till date. The Company has also set up Free Trade and Warehousing

# Notes to the Consolidated Financial Statements

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Zone at Mundra based on approval of Ministry of Commerce and Industry vide letter no.F.1/16/2011-SEZ dated January 04, 2012. The Company has also set up additional Multi Product Special Economic Zone at Mundra Taluka over an area of 1,856 hectares as per approval from Ministry of Commerce and Industry vide approval letter dated April 24, 2015. The Company has received single notification consolidating all three notified SEZ in Mundra vide letter dated March 15, 2016 of Ministry of Commerce and Industry, Department of Commerce (SEZ Section).

## Major Entities and their nature of operations are as follows:

- 1) Adani Logistics Limited ("ALL"), a 100% subsidiary of APSEZL, has developed multi-model cargo storage-cum-logistics services through development of Inland Container Depots (ICDs) and Container Freight Stations (CFSs) at various strategic locations and operates container trains on specific railway routes as per concession agreement entered into with Ministry of Railways, Government of India.
- 2) Mundra SEZ Textile and Apparel Park Private Limited ("MITAP"), a 49.88% subsidiary of APSEZL and 5.40% investment held through ALL (a 100% subsidiary of APSEZL), has set up an integrated textile park under the scheme of Ministry of Textiles, Government of India in Special Economic Zone at Mundra, Kutch district, Gujarat.
- 3) Karnavati Aviation Private Limited ("KAPL"), a 100% subsidiary of APSEZL, is engaged in providing non scheduled (passenger) airline services through its aircrafts.
- 4) Adani Petronet (Dahej) Port Limited ("APDPL"), a 74% subsidiary of APSEZL, has developed a Solid Cargo Port Terminal and related port infrastructure facilities of bulk cargo at Dahej, Gujarat.
- 5) Adani Murmugao Port Terminal Private Limited ("AMPTPL"), a 100% subsidiary of APSEZL, has developed port infrastructure facilities i.e. coal handling terminal at Murmugao, Goa.
- 6) Mundra International Airport Limited ("MIAL") (Formerly known as Mundra International Airport Private Limited), a 100% subsidiary of APSEZL, has plan to set up air cargo operations at Kawai, Rajasthan.
- 7) Adani Hazira Port Limited ("AHPL"), a 100% subsidiary of APSEZL, has developed multi – cargo terminal and related infrastructure at Hazira - Surat (Gujarat). The further expansion of port facilities is under development.
- 8) Adani Vizag Coal Terminal Private Limited ("AVCTPL") is a 100% subsidiary of APSEZL. The Company has developed Port infrastructure facilities at East Quay for handling steam coal at Visakhapatnam Port. (refer note 40)
- 9) Adani Kandla Bulk Terminal Private Limited ("AKBTPL") is a 100% subsidiary of APSEZL. The Company has developed a Dry Bulk terminal off Tekra near Tuna outside Kandla creek at Kandla Port.
- 10) Adani Warehousing Services Limited ("AWSL") (Formerly known as Adani Warehousing Services Private Limited) is a 100% subsidiary of APSEZL. The Company is formed to provide warehousing / storage facilities and other related services.
- 11) Adani Ennore Container Terminal Private Limited ("AECTPL") is a 100% subsidiary of APSEZL. The Company has developed container terminal and other related infrastructure at Ennore Port. (refer note 60)
- 12) Adani Hospitals Mundra Limited ("AHML") (Formerly known as Adani Hospitals Mundra Private Limited) is a 100% subsidiary of APSEZL. The Company provides hospital and related services at Mundra.
- 13) The Dhamra Port Company Limited ("DPCL"), is a 100% subsidiary of APSEZL and is operating bulk cargo port infrastructure facilities at Dhamra in the state of Odisha.
- 14) Shanti Sagar International Dredging Limited ("SSIDL") is a 100% subsidiary of APSEZL. The Company is providing dredging services.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

- 15) Adani Harbour Services Limited ("AHSL") (Formerly known as The Adani Harbour Services Limited) is a 100% subsidiary of APSEZL. The principal activity of AHSL is to own and operate harbour tugs, barges, other port crafts, ocean towage and offshore support vessels and to provide marine services like pilotage, laying and maintenance of buoys including SBMs, mooring of vessels at berth and mid-stream.
- 16) Adani Vizhinjam Port Private Limited ("AVPPL") is a 100% subsidiary of APSEZL and is engaged in developing container terminal port and other related infrastructure at Vizhinjam.
- 17) Adani Kattupalli Port Limited ("AKPL") is a 100% subsidiary of APSEZL and is engaged in the business of Container Freight Station at Kattupalli Port, Tamil Nadu.
- 18) Abbot Point Operations Pty Limited ("APO") is a 100% subsidiary of APSEZL and is engaged in the business of Operation and Maintenance (O&M) service to port.
- 19) Marine Infrastructure Developer Private Limited ("MIDPL") is subsidiary of APSEZL with 97% equity stake and is engaged in the business of Port Operations at Kattupalli Port.
- 20) Adani Yangon International Terminal Company Limited ("AYITCL") was a 100% subsidiary of Coastal International Terminals Pte Limited (a subsidiary company) and was engaged in developing port infrastructure at Myanmar. (Upto May 31, 2023) (refer note 55)
- 21) Adani Agri Logistics Limited is wholly owned subsidiaries of Adani Logistics Limited (the subsidiary company of APSEZL) and is engaged in the business of Logistics Operations.
- 22) Adani Logistics Services Limited (Formerly known as Adani Logistics Services Private Limited) is subsidiary of Adani Logistics Limited (a subsidiary) with 98.40% equity stake and is engaged in the business of Logistics Operations.
- 23) Adani Bangladesh Ports Private Limited ("ABPPL") is a 100% subsidiary of APSEZL and is engaged in the business of dredging, port and land development activities.
- 24) Adani Krishnapatnam Port Limited ("AKPL") is a 100% subsidiary of APSEZL and is engaged in the business of Port Operations.
- 25) Dighi Port Limited ("DPL") is a 100% subsidiary of APSEZL and is engaged in the business of Port Operations.
- 26) Adani Tracks Management Services Limited (Formerly known as Adani Tracks Management Services Private Limited) is a 100% subsidiary of APSEZL and is engaged in development, construction, operation and maintenance of railway corridor.
- 27) APSEZL has acquired 98.52% equity shares of Ocean Sparkle Limited ("OSL") on May 10, 2022 and the principal activity of OSL is to own and operate harbour tugs, barges, other port crafts, ocean towage and offshore support vessels and to provide marine services like pilotage, mooring of vessels at berth and mid-stream.
- 28) Pursuant to the NCLT's approval of capital reduction scheme filed by Mundra LPG Terminal Private Limited ("MLTPL") the group has obtained equity stake of 48.97% w.e.f February 24, 2022. During the previous year, subsequent to the further investment in equity instrument, the Group has obtained management and operational control of MLTPL.
- 29) Adani Gangavaram Port Limited is wholly owned subsidiary of the Group and is engaged in the business of Port Operations.
- 30) APSEZL has incorporated Mediterranean International Ports A.D.G.D. Limited ("MIPAL") with 70% equity stake on November 13, 2022 and is engaged in the business of Port Operations.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

- 31) APSEZL through subsidiary entity Mediterranean International Ports A.D.G.D. Limited ("MIPAL") has acquired 100% equity shares of Haifa Port Company Limited ("HPCL") on January 10, 2023 and is engaged in the business of Port Operations. (refer note 39(i)(2))
- 32) APSEZL has acquired 100% equity shares of Karaikal Port Private Limited on March 31, 2023 and is engaged in the business of Port Operations. (refer note 39(i)(1))

## 2 Basis of preparation

**2.1** The consolidated financial statements of the Group 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 2.3 (z) hitherto in use.

The consolidated financial statements have been prepared on a historical 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 consolidated financial statements are presented in Indian Rupees (₹) in crore and all values are rounded off to two decimal (₹ 00,00,000), except when otherwise indicated.

## 2.2 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company, subsidiaries and joint venture entities as at March 31, 2024. The Group controls an investee if and only if the Group has:-

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure or rights, to variable returns from its involvement with the investee and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

## Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

## 2.3 Summary of material accounting policy information

### a) Investment in associates and joint venture entities

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but do not have control or joint control over those policies.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

A joint venture entity is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is a contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control, are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture entities are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture entities is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture/associates since the acquisition date.

Transaction costs that the Group incurs in connection with Investment in Joint Ventures/associates are added to the cost of Investments.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture and associate entities. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture entities, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture entities are eliminated to the extent of the interest in the joint venture entities.

If an entity's share of losses of a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture entities is shown on the face of the consolidated statement of profit and loss.

The financial statements of the joint venture entities are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture entities. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture entities are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture entities and its carrying value, and then recognises the loss as 'Share of profit of a joint venture entities' in the consolidated statement of profit and loss.

Upon loss of significant influence over associate entity/ joint control over the joint venture entities, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates entity / joint venture entities upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the statement of profit and loss.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## b) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realised within twelve months after the reporting period; or
- Cash 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 classified as 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 Group classifies all other liabilities as non-current.

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

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

## c) Foreign currency transactions :

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. However, for practical reasons, the Group entities use an average rate if the average approximates the actual rate at the date of transaction. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

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.

### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI and parked in separate component of Other equity called "Foreign Currency Translation Reserve" (FCTR). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in statement of profit and loss.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## d) Fair value measurement

The Group 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 Group.

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 best economic interest.

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group 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 Group'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 and for non recurring fair value measurement, such as an assets under the scheme of business undertaking.

External valuers are involved for valuation of significant assets such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities. Involvement of external valuers is decided upon annually by the Management and in specific cases after discussion with and approval by the respective company's Audit Committee. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group'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 Group'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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

The Management, in conjunction with the Group'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 Group 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 2.4 and 34.2)
- Quantitative disclosures of fair value measurement hierarchy (refer note 34.2)
- Investment in unquoted equity shares (refer note 4 and 10)
- Financial instruments (including those carried at amortised cost) (refer note 34.1)

## e) Revenue recognition

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 Group expects to be entitled in exchange for those goods or services.

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

### Port operation and logistics services

Revenue from port operation services including cargo handling, storage, rail infrastructure, other ancillary port services and logistics services are recognised in the accounting period in which the services are transferred to the customer at an amount that reflects the consideration to which the Group 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 Group is net of variable consideration on account of various discounts offered by the Group as part of the contract.

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

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

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

### Construction and Development of Infrastructure Assets

The Company's business operations includes 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 recognised 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.

### Non scheduled aircraft services

Revenue from chartered services is recognised when the service is performed under contractual obligations.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## Revenue recognition from Service Concession arrangements in Agri Logistics Business

Service Concession arrangements revenue relating to construction contracts which are entered into with Government Authorities for the construction of infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivables. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

Once the infrastructure is in operation, the treatment of income is as follows:

Finance income over financial asset after consideration of fixed storage charges is recognised using effective interest rate method. Variable storage charges revenue is recognised in the period of storage of food grains. Revenues from other variable charges such as loading and unloading charges, bagging charges, stacking charges, etc. as per the rates mentioned in SCA are recognised in each period as and when services are rendered in accordance with "Ind AS 115 - Revenue from Contracts with Customers".

## Interest income

For all financial assets measured either at amortised 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 amortised cost of a financial liability. When calculating the effective interest rate, the Group 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 consolidated statement of profit and loss.

## Dividend

Dividend Income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

## f) Government grants

Government grants are recognised 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 recognised 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 recognised either as a income in equal amounts over the expected useful life of the related asset or by deducting from the carrying amount of the asset.

## Royalty on Cargo

Waterfront royalty under the various concession/sub concession agreement is paid at concessional rate in terms of rate prescribed by Gujarat Maritime Board (GMB) and notified in official gazette of various state Government authorities, wherever applicable.

## g) Taxes

Tax expense comprises of current income tax and deferred tax.

## Current income tax

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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

## Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that (i) is not a business combination (ii) at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and (iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint venture entities, deferred tax is not recognised 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that 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 venture entities, 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.

Some of the subsidiaries and joint venture entities of the Company are also eligible for tax deductions available under section 80IA of the Income Tax Act, 1961 for a period of 10 years out of eligible period of 15 years. In view of some of the subsidiaries and joint venture entities availing tax deduction under Section 80IA of the Income Tax Act, 1961, deferred tax has been recognised in respect of temporary difference, which reverse after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognised in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originate first are considered to reverse first.

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

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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

The Group 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 Group 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 Group recognises tax credits as an asset, the said asset is created by way of tax credit to the consolidated statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent the Group 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.

## h) 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 Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in consolidated statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of respective asset if recognition criteria for the provision are met.

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

Borrowing cost relating to acquisition / construction of Property, Plant and Equipments 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 and assessment made by expert. The identified component of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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

Assets	Estimated Useful life
Leasehold Land Development	Over the balance period of Concession Agreement and approved Supplementary Concession Agreement by Gujarat Maritime Board, other major port trust authorities, State Government authorities etc. as applicable
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement in case of terminals entitlement to Depreciated Replacement Value. In other cases over the balance period of concession agreement as applicable
Dredging Pipes - Plant and Equipment	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Equipment	4 Years and 10 Years respectively
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Equipment	6 Years
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Drains & Culverts	25 Years as per concession agreement
Carpeted Roads – Other than RCC	10 Years
Non Carpeted Roads – Other than RCC	3 Years
Tugs	20 Years

An item of property, plant and equipment covered under Concession agreement, sub-concession agreement and supplementary concession agreement, shall be transferred to and shall vest in Grantor (government authorities) at the end of respective concession agreement. In cases, where the Group is expected to receive consideration of residual value of property from grantor at the end of concession period, the residual value of contracted property is considered as the carrying value at the end of concession period based on depreciation rates as per management estimate/Schedule II of the Companies Act, 2013 and in other cases it is Nil. For the ports operating in Gujarat, all contracted immovable and movable assets shall be transferred to and shall vest in Gujarat Maritime Board ('GMB') for consideration equivalent to the Depreciated Replacement Value (the 'DRV'). Currently DRV is not determinable, accordingly, residual value of contract asset is considered to be the carrying value based on depreciation rates as per management estimate/ Schedule II of the Companies Act, 2013 at the end of concession period.

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

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

### i) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value on the date of acquisition. 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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

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

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

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

A summary of the policies applied to the Group'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
License Fees paid to Ministry of Railway (MOR) for approval for movement of Container Trains	on straight line basis	Over the license period of 20 years
Right to Use of Land	on straight line basis	Over the period of agreement between 10-20 years
Right of use to develop and operate the port facilities including rights arising from service concession arrangement	on straight line basis	Over the balance period of Sub-Concession Agreement
Railway License	on straight line basis	20 to 35 Years based on validity of license
Customer Contact	on straight line basis	As per relevant Agreement
Customer Relationship	on straight line basis	As per relevant Agreement
Non-Compete Agreement	on straight line basis	As per relevant Agreement

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

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

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with Appendix C of Ind AS 115 'Service Concession Arrangements'. These assets are amortised based on the lower of their useful lives or concession period.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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

The period of port concession arrangements are of 30 years.

## Service Concession Arrangements ("SCA") in respect of Agri Logistics Business

Certain companies in the Group have entered into service concession agreement with Food Corporation of India (FCI) which is an arrangement between the "grantor" (a public sector entity/authority) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilising private-sector funds and expertise.

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA.

When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, the Group recognises the consideration for construction services at its fair value as a financial asset and is classified as "financial asset under service concession arrangements".

When the amount of consideration under the arrangement comprises of -

- fixed charges based on Annual Guaranteed Tonnage and
- variable charges based on Actual Utilisation Tonnage,

then, the Group recognizes the consideration for construction services at its fair value, as the "financial asset under service concession arrangement" to the extent present value of fixed payment to be received discounted at incremental borrowing rate and the residual portion is recognised as an intangible asset.

## j) Investment Properties

Property which is held for long-term rental yields or for capital appreciation or both, is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, policies with respect to depreciation, useful life and derocognition are followed on the same basis as stated for Property, Plant & Equipment.

## k) 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 arising on translation of monetary items denominated in foreign currencies.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

## l) Leases

The Group 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## Group as a lessee

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

### i) Right-of-Use Assets

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

If ownership of the leased asset is transferred to the Group 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 (n) Impairment of non-financial assets.

### ii) Lease Liabilities

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group 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 Group 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.

## Group as a lessor

### Income from long term leases

As a part of its business activity, the Group 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

# Notes to the Consolidated Financial Statements

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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 recognised 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 recognised on an accrual basis.

In cases where long term lease / sub-lease transaction agreement are non-cancellable in nature, the income is recognised 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 recognised 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 land 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.

## m) Inventories

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

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

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

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

## n) Impairment of non-financial assets

The Group 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 Group 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 Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group'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 Group estimates the asset's or CGU's recoverable amount. A previously recognised

# Notes to the Consolidated Financial Statements

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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.

Goodwill is tested for impairment annually as at every year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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

## o) Provisions, Contingent Liabilities and Contingent Assets

### General

Provisions are recognised when the Group 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.

### Operational Claim provisions

Provisions for operational claims are recognised when the service is provided to the customer. Further recognition is based on historical experience. The initial estimate of operational claim related cost is revised annually.

## p) Retirement and other employee benefits

Short term employee benefits include salaries, vacation and recovery days which are recognised as an expense as the employee's entitlement grows. Liability for cash bonus or a profit-sharing plan is recognised when the Group has a legal or constructive obligation to pay the amount for service provided by employee in the past and the amount can be easily estimated.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group 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 recognised as a liability after deducting the contribution already paid.

The Group 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated 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 Group 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 Group 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. Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per projected unit credit method.

The Group also makes Severance payments to certain employees located on ports outside India where the expense is recognised on an ongoing basis based on increase in their accumulated seniority. Benefits provided to employees outside India under a voluntary retirement plan are expensed in statement of profit and loss when the plan is offered with no realistic possibility of cancellation and is reliably measured.

## q) Financial instruments

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

### Financial assets

#### Initial recognition and measurement

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

#### Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments and derivative 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:

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

This category is the most relevant to the Group. 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 consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss.

## Debt instrument at FVTPL

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

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

The group classified investments in government securities held for trading under FVTPL.

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.

## Equity investments

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

If the Group decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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

## Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

## Impairment of financial assets

The Group 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, are measured at fair value through 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 Group 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 Group 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 group 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 Group in accordance with the contract and all the cash flows that the Group 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 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 group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 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 Group's financial liabilities include trade payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Subsequent measurement

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition 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 Group 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 consolidated statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit or loss. However, the Group 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 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.

#### Loans and borrowings

After initial recognition at fair value, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated 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 consolidated 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

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.

## Reclassification of financial assets

The Group 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 Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group 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 Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## 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.

## r) Derivative financial instruments and Hedge accounting

### Initial recognition and subsequent measurement of derivative financial instruments

The Group uses derivative financial instruments such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its short-term fluctuations foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognized 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 are classified in the statement of profit and loss and reported with foreign exchange gains/(losses) not within results from operating activities. Changes in fair value and gains/(losses) on settlement/remeasurement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

### Hedge Accounting

The Group has implemented hedge accounting, an accounting policy choice under Ind AS by designating its specific non-derivative foreign currency financial liabilities as hedging instruments in respect of foreign currency risk on highly probable forecast sales being hedge item under cash flow hedges.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its hedging strategy. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents and performs hedge effectiveness testing, which is when the hedging relationships meet all of the following hedge effectiveness requirements.

- a) there is an economic relationship between the hedged item and the hedging instrument.
- b) the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- c) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e., rebalances the hedge) so that it meets the qualifying criteria again.

## Cash flow hedges

- The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of profit and loss.
- Amounts recognized in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a highly probable forecast sale occurs. When the hedged item is a non-financial asset or nonfinancial liability, the amounts recognized as OCI are transferred to the initial carrying amount of the non-financial asset or liability.
- If the hedging instrument expires or is sold, terminated, or exercised or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognized in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized in profit or loss.

## 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.

## t) 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

For the purpose of the consolidated 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 Group's cash management.

## u) Cash dividend to equity holders of the parent

The Company recognises a liability for payment of dividend to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## v) Goodwill on consolidation

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the acquisition.

## w) Business Combination

Business Combination have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes fair value of any contingent considerations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at the fair value on the date of acquisition.

Business Combinations between entities under common control is accounted for in accordance with Appendix C of Ind AS-103.

Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

## x) Non-current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## y) 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 for 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.

## z) New Standards, Interpretations and Amended standards adopted by the Group

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended March 31, 2023, except for amendments to the existing Indian Accounting Standards (Ind AS). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Group applies, for the accounting periods beginning on or after 1 April 2023, that do not have material impact on the consolidated financial statements of the Company.

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

## 2.4 Significant accounting judgements, estimates and assumptions

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

### (A) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which has the most significant effect on the consolidated financial statements:

- (i) **Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control):-**
  - a) Group owns 49% ownership interest in Dholera Infrastructure Private Limited ("DIPL"). Group has entered into an agreement with the other shareholders of the DIPL basis which the directors of the Company has assessed that it has the practical ability to direct the relevant activities of DIPL unilaterally and therefore APSEZL has control over DIPL.
  - b) Group owns 49% ownership interest in Mundra Solar Technopark Private Limited. The Group took control over business against outstanding receivables from the said entity. The Group also exercises control over board of the said entity pursuant to a shareholder agreement consequential to which the Group has accounted it as a subsidiary in the consolidated financial statements.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

- c) Group owns 48.97% ownership interest in Mundra LPG Terminal Private Limited ("MLTPL"). Considering the further Investment in equity instrument in April 2022, the Group has obtained management and operational control of MLTPL and the same has been accounted as subsidiary of the Group in the consolidated financial statements.
- d) Group owns 30% ownership interest in East Africa Gateway Limited ("EAGL"). Based on the composition of Board of Directors, the Company has assessed that it has practical ability to direct and control relevant activities of EAGL and therefore APSEZL has control over EAGL.

**(ii) Investment in entities which are not considered for consolidation**

The Group has investment of ₹ 154.20 crore in Kutch Railway Company Limited ("KRCL"), the investee, to the tune of the 20% of the paid up capital of the said company. However, the considering that majority of the remaining shares are held by government companies / government authorities / government agencies, and the day-to day-operations being managed by government officials, the Group does not consider that it has significant influence over KRCL. Accordingly, the investment in the said entity has not been accounted under Ind AS 28 and accounted under Ind AS 109 with subsequent measurement of changes in fair value through other comprehensive income (FVTOCI).

- (iii)** The group had a control over Adani KP Agri warehousing Private Limited ("KP Agri") with a shareholding of 74%. During the previous year, KP Agri commenced its operations. Considering the understanding of the Group with other shareholder and the Group's ability to exercise joint control over KP Agri, the Group has concluded that it is jointly controlling the same post commencement of its operations and accordingly the investment in the said entity has been accounted using Equity method as per Ind AS 28.

**(B) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

**(i) Impairment of non-financial assets (including goodwill)**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years or tenure of contract and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the CGU, are disclosed and further explained in note 44 and 45.

**(ii) Impairment of financial assets**

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## (iii) Taxes

Deferred tax assets (including MAT credits) are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 27.

## (iv) Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Group uses market observable data to the extent available. Where such Level 2 inputs are not available, the Group 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 judgement is required in establishing fair values. Judgements 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 34 for further disclosures.

## (v) 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 Group'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. (refer note 2.3 (h) & (i))

## (vi) Highly Probable Forecast Sale Transaction designated as hedged item

The Group is applying cash flow hedge accounting as per the Ind AS 109 to hedge its foreign currency risk of its highly probable forecast sales transactions. The forecast of foreign currency sale transaction is an area of judgement applied by Management basis historical trend of growth in cargo and revenue of the Group. (refer note 2.3 (r) & 34.3(A)(ii))

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties

### (a) Property, Plant and Equipment

₹ In crore

Particulars	Property, Plant and Equipment														Total	
	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Leasehold Land Development	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Tugs And Boats	Railway Wagons	Aircraft		Project Assets
<b>Cost</b>																
As at April 1, 2022	5,755.39	9,292.90	189.50	1,711.83	194.18	14,882.32	294.45	53.71	6,391.55	6,428.63	1,482.56	2,776.90	746.33	215.12	1,132.00	51,547.37
Acquisitions through Business Combination	440.87	766.63	2.22	2.26	5.91	1,831.85	2.68	4.16	-	258.60	107.20	1,620.74	-	-	-	5,043.12
Additions	473.41	586.23	25.00	14.11	378.11	1,287.89	30.59	762.38	386.16	139.58	21.45	375.59	457.63	-	38.41	4,976.54
Deductions/Adjustment	(23.93)	(19.45)	(30.25)	-	(7.23)	(77.00)	(5.48)	(37.56)	-	-	-	(160.48)	(0.41)	-	(0.65)	(362.44)
Exchange Difference	-	(9.39)	(0.01)	-	(0.02)	(65.29)	(0.32)	-	-	-	-	-	-	-	(0.47)	(75.50)
<b>As at March 31, 2023</b>	<b>6,645.74</b>	<b>10,616.92</b>	<b>186.46</b>	<b>1,728.20</b>	<b>570.95</b>	<b>17,859.77</b>	<b>321.92</b>	<b>782.69</b>	<b>6,771.71</b>	<b>6,826.81</b>	<b>1,611.21</b>	<b>4,612.75</b>	<b>1,203.55</b>	<b>215.12</b>	<b>1,169.29</b>	<b>61,129.09</b>
Acquisitions through Business Combination (refer note 39(i))	2.31	1,101.02	0.25	-	0.22	509.94	0.20	0.11	-	-	-	-	-	-	-	1,614.05
Acquisitions (refer note 39(ii))	681.62	-	-	-	-	-	-	-	-	-	-	-	-	-	-	681.62
Additions	225.91	657.10	42.77	270.01	29.79	1,220.05	6.28	61.97	271.59	77.19	36.21	458.57	666.18	351.76	88.87	4,464.25
Deductions/Adjustment	(158.24)	(44.19)	(36.59)	-	(18.44)	(500.83)	(46.83)	(7.13)	-	(13.94)	(0.75)	(54.85)	-	-	(4.07)	(885.86)
Exchange difference	-	(2.36)	0.01	-	(0.01)	(22.25)	0.02	-	-	-	-	-	-	-	-	(24.61)
<b>As at March 31, 2024</b>	<b>7,397.34</b>	<b>12,328.47</b>	<b>192.90</b>	<b>1,998.21</b>	<b>582.51</b>	<b>19,066.68</b>	<b>281.59</b>	<b>837.64</b>	<b>7,049.30</b>	<b>6,890.06</b>	<b>1,646.67</b>	<b>5,016.47</b>	<b>1,869.73</b>	<b>566.88</b>	<b>1,254.09</b>	<b>66,978.54</b>
<b>Accumulated Depreciation</b>																
As at April 1, 2022	-	1,428.08	111.71	278.96	116.43	4,279.39	97.15	25.43	709.01	716.08	586.68	829.17	161.85	33.00	685.73	10,058.67
Depreciation for the year	-	364.48	31.99	66.64	31.87	1,302.34	43.15	54.47	180.84	204.93	84.47	262.93	67.22	18.13	73.01	2,786.47
Deductions/Adjustment	-	(1.82)	(30.04)	5.75	(6.65)	3.21	(5.30)	(31.74)	-	(0.21)	-	(94.85)	(0.21)	-	(0.42)	(162.28)
Exchange difference	-	(3.98)	-	-	(0.02)	(33.65)	-	-	-	-	-	-	-	-	-	(37.65)
<b>As at March 31, 2023</b>	<b>-</b>	<b>1,786.76</b>	<b>113.66</b>	<b>351.35</b>	<b>141.63</b>	<b>5,551.29</b>	<b>135.00</b>	<b>48.16</b>	<b>889.85</b>	<b>920.80</b>	<b>671.15</b>	<b>997.25</b>	<b>228.86</b>	<b>51.13</b>	<b>758.32</b>	<b>12,645.21</b>
Depreciation for the year	-	413.60	34.27	84.79	35.00	1,448.00	29.53	124.98	222.20	246.90	90.74	281.09	94.45	35.34	79.09	3,219.98
Deductions/Adjustment	-	(39.49)	(36.28)	-	(18.14)	(484.58)	(46.75)	(5.66)	-	(4.60)	(0.28)	(37.60)	-	-	(3.71)	(677.09)
Exchange difference	-	(0.58)	-	-	-	(12.82)	0.01	-	-	-	-	-	-	-	-	(13.39)
<b>As at March 31, 2024</b>	<b>-</b>	<b>2,160.29</b>	<b>111.65</b>	<b>436.14</b>	<b>158.49</b>	<b>6,501.89</b>	<b>117.79</b>	<b>167.48</b>	<b>1,112.05</b>	<b>1,163.10</b>	<b>761.61</b>	<b>1,240.74</b>	<b>323.31</b>	<b>86.47</b>	<b>833.70</b>	<b>15,174.71</b>
<b>Net Block</b>																
As at March 31, 2023	6,645.74	8,830.16	72.80	1,376.85	429.32	12,308.48	186.92	734.53	5,887.86	5,906.01	940.06	3,615.50	974.69	163.99	410.97	48,483.88
<b>As at March 31, 2024</b>	<b>7,397.34</b>	<b>10,168.18</b>	<b>81.25</b>	<b>1,562.07</b>	<b>424.02</b>	<b>12,564.79</b>	<b>163.80</b>	<b>670.16</b>	<b>5,937.25</b>	<b>5,726.96</b>	<b>885.06</b>	<b>3,775.73</b>	<b>1,546.42</b>	<b>480.41</b>	<b>420.39</b>	<b>51,803.83</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (Contd...)

### Notes :

- a) Depreciation of ₹ 58.58 crore (previous year ₹ 51.94 crore) relating to the project assets has been allocated to Capitalisation / Capital Work-in-progress.
- b) Plant & Equipment includes cost of Water Pipeline amounting to ₹ 3.37 crore (Gross) (previous year ₹ 3.37 crore), accumulated depreciation ₹ 3.01 crore (previous year ₹ 2.87 crore) which is constructed on land not owned by the Company.
- c) Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹ 979.27 crore (previous year ₹ 859.11 crore), accumulated depreciation ₹ 267.41 crore (previous year ₹ 237.42 crore). The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.
- d) Reclaimed land measuring 1,093.53 hectare are pending to be registered in the name of the Company.
- e) Project Assets includes dredgers and earth moving equipments.
- f) Free hold Land and Lease hold Land includes Land given on Operating Lease Basis:  
Gross Block as at March 31, 2024 : ₹ 6.71 crore (previous year ₹ 6.71 crore)  
Accumulated Depreciation as at March 31, 2024 : ₹ 0.53 crore (previous year ₹ 0.47 crore)  
Net Block as at March 31, 2024 : ₹ 6.18 crore (previous year ₹ 6.24 crore)
- g) Plant & Equipment includes electrical installation of ₹ 13.04 crore and accumulated depreciation of ₹ 11.62 crore (previous year ₹ 13.04 crore and accumulated depreciation of ₹ 9.09 crore) for setting up of 66 kVA infrastructure facilities for providing power connection to the port facilities of subsidiary companies.
- h) The amount of borrowing costs capitalised during the year ended March 31, 2024 was ₹ 155.38 crore (previous year ₹ 90.53). The rate used to determine the amount of borrowing costs eligible for capitalisation was ranging from 3.38% to 9%, which is the effective interest rate of the specific borrowing.
- i) The subsidiary company had reclaimed total 230 hectares of land for its port activities. The subsidiary company had developed these land area through dredging activities and an amount of ₹ 13.58 crore (previous year ₹ 14.82 crore) is capitalised as leasehold land development.
- j) Building and plant & equipments includes warehouses given on Operating Lease Basis :  
Gross Block as at March 31, 2024 : ₹ 383.80 crore (previous year ₹ 304.18 crore)  
Accumulated Depreciation as at March 31, 2024 : ₹ 66.53 crore (previous year ₹ 52.06 crore)  
Net Block as at March 31, 2024 : ₹ 317.27 crore (previous year ₹ 252.12 crore)
- k) Refer footnote to note 14 and 18 for security / charges created on property, plant and equipment.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (Contd...)

#### (b) Right-of-Use Assets

₹ in crore

Particulars	Land	Building	Plant & Equipment	Railway Wagons	Aircraft	Vehicles	Total
<b>Cost</b>							
<b>As at April 1, 2022</b>	<b>2,782.01</b>	<b>73.03</b>	<b>42.28</b>	<b>95.82</b>	<b>-</b>	<b>17.57</b>	<b>3,010.71</b>
Acquisitions through Business Combination	173.50	-	-	-	-	538.46	711.96
Additions	101.47	13.67	31.31	-	391.58	5.39	543.42
Deductions/Adjustment	(88.67)	-	-	-	-	(2.37)	(91.04)
Exchange difference	112.55	-	-	-	-	(0.86)	111.69
<b>As at March 31, 2023</b>	<b>3,080.86</b>	<b>86.70</b>	<b>73.59</b>	<b>95.82</b>	<b>391.58</b>	<b>558.19</b>	<b>4,286.74</b>
Additions	146.58	-	31.65	-	-	23.56	201.79
Deductions/Adjustment	(77.75)	-	-	-	-	(18.24)	(95.99)
Exchange difference	21.82	-	-	-	-	(0.40)	21.42
<b>As at March 31, 2024</b>	<b>3,171.51</b>	<b>86.70</b>	<b>105.24</b>	<b>95.82</b>	<b>391.58</b>	<b>563.11</b>	<b>4,413.96</b>
<b>Accumulated Depreciation</b>							
<b>As at April 1, 2022</b>	<b>133.97</b>	<b>20.96</b>	<b>40.14</b>	<b>31.40</b>	<b>-</b>	<b>11.99</b>	<b>238.46</b>
Depreciation for the year	138.85	7.54	5.85	10.51	32.63	11.60	206.98
Deductions/Adjustment	(15.25)	-	-	-	-	(8.30)	(23.55)
Exchange difference	1.26	-	-	-	-	(0.57)	0.69
<b>As at March 31, 2023</b>	<b>258.83</b>	<b>28.50</b>	<b>45.99</b>	<b>41.91</b>	<b>32.63</b>	<b>14.72</b>	<b>422.58</b>
Depreciation for the year	143.67	4.53	10.89	10.51	32.63	11.65	213.88
Deductions/Adjustment	(15.02)	-	-	-	-	(17.29)	(32.31)
Exchange difference	1.01	-	-	-	-	(0.31)	0.70
<b>As at March 31, 2024</b>	<b>388.49</b>	<b>33.03</b>	<b>56.88</b>	<b>52.42</b>	<b>65.26</b>	<b>8.77</b>	<b>604.85</b>
<b>Net Block</b>							
As at March 31, 2023	2,822.03	58.20	27.60	53.91	358.95	543.47	3,864.16
<b>As at March 31, 2024</b>	<b>2,783.02</b>	<b>53.67</b>	<b>48.36</b>	<b>43.40</b>	<b>326.32</b>	<b>554.34</b>	<b>3,809.11</b>

#### Notes

- As a part of concession agreement for development of port and related infrastructure at Mundra, the Company has been allotted land on lease basis by Gujarat Maritime Board (GMB). The Company has recorded rights in the GMB Land at present value of future annual lease payments in the books and classified the same as Right-of-Use Assets.
- Leasehold land includes 38 hectare of forest land amounting to ₹ 3.59 crore allotted to one of the Subsidiary Company by Ministry of Environment and Forests.
- GIDC has allotted 11.70 hectare of land on right to use basis for the period of 10 years for developing facilities for the project having gross value of ₹ 0.97 crore (previous year ₹ 0.97 crore) to one of the subsidiary company.
- Refer footnote to note 14 and 18 for security / charges created.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (Contd...)

### (c) Other Intangible Assets

₹ In crore

Particulars	Software	Railway License Fee	Service Concession Assets/Port Infrastructure Rights	Right to operate port	Customer Contact	Customer Relationship	Non-compete agreement	Total
<b>Cost</b>								
<b>As at April 1, 2022</b>	<b>215.64</b>	<b>40.81</b>	<b>1,976.76</b>	<b>3,915.03</b>	<b>2,539.20</b>	<b>3,828.60</b>	<b>290.50</b>	<b>12,806.54</b>
Acquisitions through Business Combination	22.28	-	-	566.23	-	171.96	-	760.47
Additions	16.84	-	12.59	-	-	-	-	29.43
Deductions/Adjustment	(11.17)	-	(0.27)	-	-	-	(275.00)	(286.44)
Exchange difference	(4.29)	-	(0.90)	-	-	-	-	(5.19)
<b>As at March 31, 2023</b>	<b>239.30</b>	<b>40.81</b>	<b>1,988.18</b>	<b>4,481.26</b>	<b>2,539.20</b>	<b>4,000.56</b>	<b>15.50</b>	<b>13,304.81</b>
Acquisitions through Business Combination (refer note 39(i))	0.39	-	44.60	-	-	-	-	44.99
Additions	48.65	-	36.96	-	-	-	-	85.61
Deductions/Adjustment	(41.57)	-	(31.16)	-	-	-	-	(72.73)
Exchange difference	(1.29)	-	(0.48)	-	-	-	-	(1.77)
<b>As at March 31, 2024</b>	<b>245.48</b>	<b>40.81</b>	<b>2,038.10</b>	<b>4,481.26</b>	<b>2,539.20</b>	<b>4,000.56</b>	<b>15.50</b>	<b>13,360.91</b>
<b>Accumulated Amortisation &amp; Impairment</b>								
<b>As at April 1, 2022</b>	<b>104.25</b>	<b>19.68</b>	<b>640.37</b>	<b>170.35</b>	<b>110.40</b>	<b>110.90</b>	<b>70.05</b>	<b>1,226.00</b>
Amortisation for the year	31.09	2.64	109.09	107.30	110.40	122.68	-	483.20
Deductions/Adjustment	(9.86)	-	(1.61)	-	-	-	(54.55)	(66.02)
Exchange difference	(3.70)	-	(0.66)	-	-	-	-	(4.36)
<b>As at March 31, 2023</b>	<b>121.78</b>	<b>22.32</b>	<b>747.19</b>	<b>277.65</b>	<b>220.80</b>	<b>233.58</b>	<b>15.50</b>	<b>1,638.82</b>
Amortisation for the year	38.74	2.64	111.28	125.37	110.40	124.75	-	513.18
Deductions/Adjustment	(41.14)	-	(31.24)	-	-	-	-	(72.38)
Exchange difference	(0.99)	-	(0.36)	-	-	-	-	(1.35)
<b>As at March 31, 2024</b>	<b>118.39</b>	<b>24.96</b>	<b>826.87</b>	<b>403.02</b>	<b>331.20</b>	<b>358.33</b>	<b>15.50</b>	<b>2,078.27</b>
<b>Net Block</b>								
As at March 31, 2023	117.52	18.49	1,240.99	4,203.61	2,318.40	3,766.98	-	11,665.99
<b>As at March 31, 2024</b>	<b>127.09</b>	<b>15.85</b>	<b>1,211.23</b>	<b>4,078.24</b>	<b>2,208.00</b>	<b>3,642.23</b>	<b>-</b>	<b>11,282.64</b>

#### Notes

a) Refer footnote to note 14 and 18 for security / charges created

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (Contd...)

#### (d) Goodwill

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Carrying value at the beginning of the year	6,907.47	6,711.43
Amount recognised through acquisitions and business combinations	-	198.14
Forex movement	(0.54)	(2.10)
<b>Carrying value at the end of the year (refer note 45)</b>	<b>6,906.93</b>	<b>6,907.47</b>

#### (e) Capital Work-in-Progress

Particulars	₹ in crore	
	March 31, 2024	March 31, 2023
Opening	6,636.77	4,022.90
Additions	8,438.26	7,389.34
Capitalised during the year	(4,138.94)	(4,982.30)
Acquisition Adjustment	-	206.83
<b>Closing</b>	<b>10,936.09</b>	<b>6,636.77</b>

Refer footnote to note 14 and 18 for security / charges created

#### Capital Work-in-Progress (CWIP) Ageing

Ageing of Projects under Work-In-Progress as on March 31, 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	6,143.72	2,601.31	671.64	1,519.42	10,936.09
<b>Total</b>	<b>6,143.72</b>	<b>2,601.31</b>	<b>671.64</b>	<b>1,519.42</b>	<b>10,936.09</b>

Ageing of Projects under Work-In-Progress as on March 31, 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	3,962.31	989.22	287.93	1,397.31	6,636.77
<b>Total</b>	<b>3,962.31</b>	<b>989.22</b>	<b>287.93</b>	<b>1,397.31</b>	<b>6,636.77</b>

There are no temporarily suspended projects.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (Contd...)

### Material Projects whose completion is overdue or has exceeded its cost compared to its original plan

#### As at March 31, 2024

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

#### As at March 31, 2023

₹ in crore

Particulars	To be completed in				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Development of Vizhinjam International Deepwater Multipurpose Seaport (refer note 46)	241.69	1,955.96	-	-	2,197.65
<b>Total</b>	<b>241.69</b>	<b>1,955.96</b>	<b>-</b>	<b>-</b>	<b>2,197.65</b>

## (f) Investment Properties

₹ in crore

Particulars	March 31, 2024	March 31, 2023
	Land	Land
Opening Balance	1,302.23	-
Adjustment on account of business combination	-	1,324.39
Additions	45.00	-
Exchange difference	(1.93)	(22.41)
Transfer from/to Property Plant & Equipment	-	0.25
<b>Balance at the end of the year</b>	<b>1,345.30</b>	<b>1,302.23</b>

### Note:

Currently Investment property is not generating any rental income and there are no direct operating expenses arising from such investment property.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 4 a) Investments accounted using Equity Method

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>In Equity Shares of Joint Venture Entities</b>		
32,22,31,817 (previous year 32,22,31,817) fully paid Equity Shares of ₹ 10 each of Adani International Container Terminal Private Limited (refer note 37(B) and 35(ii)(a))	27.56	-
5,93,78,278 (previous year 5,93,78,278) fully paid Equity Shares of ₹ 10 each of Adani CMA Mundra Terminal Private Limited (refer note 37(B))	-	-
61,20,000 (previous year 61,20,000) fully paid Equity Shares of ₹ 10 each of Adani NYK Auto Logistics Solutions Private Limited (refer note 37(B))	0.95	2.56
2,02,00,000 (previous year 2,02,00,000) fully paid Equity Shares of ₹ 10 each of Adani Total Private Limited (refer note (iii) below & 37(B))	1,303.41	1,233.63
25,500 (previous year 25,500) fully paid Equity Shares of ₹ 10 each of EZR Technologies Private Limited	0.03	0.03
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Dighi Roha Rail Limited	0.05	0.05
74,000 (previous year 74,000) fully paid Equity Shares of ₹ 10 each of Adani KP Agriwarehousing Private Limited	14.57	14.37
50,09,72,175 (previous year 49,48,28,289) fully paid Equity Shares of ₹ 10 each of Indianoil Adani Ventures Limited (refer note 37(B))	1,280.58	1,171.79
5,26,27,778 (previous year 5,26,27,778) fully paid Equity Shares of ₹ 10 each of IOT Utkal Energy Services Limited	44.78	40.07
5,88,000 (previous year 5,88,000) fully paid Equity Shares of OMR 1 each of Khimji Sparkle Marine Services Co. SOAC	35.32	35.88
50,000 (previous year Nil) fully paid Equity Shares of ₹ 10 each of Veracity Supply Chain Private Limited	0.05	-
5,000 (previous year Nil) fully paid Equity Shares of LKR 100 each of Harbour Services Lanka (Private) Limited	0.01	-
	<b>2,707.31</b>	<b>2,498.38</b>
Provision for Investment in Dighi Roha Rail Limited	(0.05)	-
	<b>2,707.26</b>	<b>2,498.38</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 4 b) Other Investments

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Unquoted</b>		
<b>In Equity Shares of Company (Investment at fair value through OCI) (refer note (ii) below)</b>		
16,42,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹ 10 each of Kutch Railway Company Limited	384.72	282.85
1,73,30,000 (previous year 1,73,30,000) fully paid Equity Shares of ₹ 10 each of Bharuch Dahej Railway Company Limited	22.37	17.88
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of NQXT Port Pty Limited	-*	-*
14,001 (previous year 14,001) fully paid Equity Shares of ₹ 10 each of Ambily Technologies Private Limited	0.01	0.01
50,000 (previous year 50,000) fully paid Equity Share of ₹ 10 each of Adani Dhamra LPG Terminal Private Limited	0.05	0.05
8,10,00,000 (previous year 8,10,00,000) fully paid Equity Share of ₹ 10 each of Krishnapatnam Railway Company Limited	59.53	55.49
36,00,000 (previous year 36,00,000) fully paid Equity Share of ₹ 10 each of Blyth Wind Park Private Limited	2.45	2.45
200 (previous year 200) Fully paid Equity Shares of ₹ 10 each of Investment in TCP Limited	0.01	0.01
65,00,000 (previous year 65,00,000) fully paid Equity Share of ₹ 10 each of KP Polyolefin Sacks Private Limited	3.28	6.98
3,69,54,050 (previous year 3,69,54,050) fully paid Equity Share of ₹ 10 each of Krishnapatnam Infratech Limited	170.05	170.05
10,00,000 (previous year 10,00,000) Equity Shares of ₹ 10 each of equity shares of Karaikal Port Private Limited (refer note 39(i)(1))	-	1.00
<b>In Optionally Convertible Debentures (Investment at fair value through OCI) (refer note (ii) below)</b>		
Nil (previous year 9,00,00,000) 0.01% Optionally Convertible Debentures of ₹ 10 each of Adrita Realtors Private Limited	-	90.64
Nil (previous year 9,40,00,000) 0.01% Optionally Convertible Debentures of ₹ 10 each of Dependencia Infrastructure Private Limited	-	93.24
Nil (previous year 7,20,00,000) 0.01% Optionally Convertible Debentures of ₹ 10 each of Agratas Projects Private Limited	-	71.76
<b>Total FVTOCI Investment</b>	<b>642.47</b>	<b>792.41</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 4 b) Other Investments (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>In Government Securities (Investment at amortised cost)</b>		
National Savings Certificates (Lodged with Government Department) & others	-*	-*
<b>In preference shares of Joint Venture Entities (Investment at fair value through profit or loss)</b>		
4,60,42,127 (previous year 3,78,52,941) fully paid Compulsorily Convertible Preference shares of ₹ 225 each of Adani Total Private Limited	277.14	195.02
<b>In perpetual debt of Joint Venture Entities (Investment at amortised cost)</b>		
Dighi Roha Rail Limited	0.83	-
	<b>920.44</b>	<b>987.43</b>
Provision for Diminution in value of Perpetual Debt of Dighi Roha Rail Limited	(0.83)	-
	<b>919.61</b>	<b>987.43</b>

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

#### Notes:

- Aggregate amount of unquoted investments as at March 31, 2024 ₹ 3,626.87 crore (previous year ₹ 3,485.81 crore).
- Reconciliation of Fair value measurement of the investments-

Particulars	₹ in crore	
	March 31, 2024	March 31, 2023
Opening Balance	792.41	602.02
Investment made during the year	114.19	257.00
Redemption during the year	(256.00)	-
Elimination adjustment on account of acquiring control over subsidiary	(1.00)	-
Reclassified from held for sale to Investment	-	47.60
Reclassified from Non-current to Current	-	(230.00)
Fair value (loss)/gain recognised in Other comprehensive income (net)	(7.13)	115.79
<b>Closing Balance</b>	<b>642.47</b>	<b>792.41</b>

- Value of Deemed Investment accounted in joint venture entities in terms of fair valuation under Ind AS 109

Particulars	₹ in crore	
	March 31, 2024	March 31, 2023
Adani Total Private Limited (Consolidated)	1,110.39	785.74

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 5 Trade Receivables

(unsecured, unless otherwise stated)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Trade Receivables		
Considered good	3,828.33	4,100.28
Credit impaired	33.54	47.90
	<b>3,861.87</b>	<b>4,148.18</b>
Less : Allowances for Expected Credit Loss ("ECL")	(194.93)	(191.11)
	<b>3,666.94</b>	<b>3,957.07</b>
Customers' Bill Discounted (refer note (c) below)	-	699.12
Other Trade Receivables	3,666.94	3,257.95
<b>Total Trade Receivables</b>	<b>3,666.94</b>	<b>3,957.07</b>

Refer note 32 for related party balances

### Notes:

- No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
- Generally, as per credit terms trade receivables are collectable within 30-60 days although the Group provide extended credit period with interest between 7.50% to 10% considering business and commercial arrangements with the customers including with the related parties.
- The Carrying amounts of the trade receivables include receivables amounting to ₹ Nil (previous year ₹ 699.12 crore) which are subject to a bills discounting arrangement. Under this arrangement, the Group has transferred the relevant receivables to the bank / financial institution in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account as per the arrangement. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 18.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 5 Trade Receivables (Contd...)

d) Trade receivables ageing schedule as on March 31, 2024

₹ In crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	1,613.47	1,724.16	156.76	87.31	4.26	45.29	3,631.25
2	Undisputed Trade receivables - Credit Impaired	-	0.63	0.36	19.37	3.40	2.80	26.56
3	Disputed Trade receivables - Considered good	-	-	-	18.97	17.36	160.75	197.08
4	Disputed Trade receivables - Credit Impaired	-	-	-	-	-	6.98	6.98
		<b>1,613.47</b>	<b>1,724.79</b>	<b>157.12</b>	<b>125.65</b>	<b>25.02</b>	<b>215.82</b>	<b>3,861.87</b>
	Less:- Allowances for Expected Credit Loss ("ECL")							(194.93)
	<b>Total</b>							<b>3,666.94</b>

Trade receivables ageing schedule as on March 31, 2023

₹ In crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	2,065.21	1,447.02	233.46	77.13	33.79	34.88	3,891.49
2	Undisputed Trade receivables - Credit Impaired	-	2.30	15.28	4.23	1.43	4.13	27.37
3	Disputed Trade receivables - Considered good	8.39	6.01	12.55	19.87	16.30	145.67	208.79
4	Disputed Trade receivables - Credit Impaired	-*	4.33	0.11	2.89	3.36	9.84	20.53
		<b>2,073.60</b>	<b>1,459.66</b>	<b>261.40</b>	<b>104.12</b>	<b>54.88</b>	<b>194.52</b>	<b>4,148.18</b>
	Less:- Allowances for Expected Credit Loss ("ECL")							(191.11)
	<b>Total</b>							<b>3,957.07</b>

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 6 Loans

(Unsecured unless otherwise stated)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Loans to Joint Venture Entities</b>				
Considered Good	4.52	6.70	205.01	300.33
<b>Loans for acquisition</b>				
Considered Good (refer note 39(i)(1))	-	1,485.00	-	-
<b>Loans to others</b>				
Considered Good	55.00	97.15	64.00	107.77
	<b>59.52</b>	<b>1,588.85</b>	<b>269.01</b>	<b>408.10</b>

All the above loans have been given for business purposes.

## 7 Other Financial Assets

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Security deposit (refer note 35 (i))				
Considered good	271.13	2,255.86	81.32	443.55
Considered doubtful	-	-	7.27	7.27
	271.13	2,255.86	88.59	450.82
Allowances for doubtful deposit	-	-	(7.27)	(7.27)
	271.13	2,255.86	81.32	443.55
Loans and Advances to Employees	0.93	0.84	11.78	11.16
Lease Receivable (refer note (b) below)	1,285.15	1,125.92	55.10	75.64
Interest Accrued	20.87	87.29	37.86	222.59
Government Grant Receivables	338.78	426.69	63.15	-
Non Trade Receivable	305.13	294.84	218.76	101.42
Advance for Acquisition	-	-	2,851.40	220.00
Asset under Service	129.72	129.61	18.79	18.02
Concession Arrangement				
Derivative Instruments / Forward Contracts Receivable	-	-	0.69	194.01
Advance for land consideration (refer note (a) below)	6.60	12.65	6.11	5.64
Insurance Claim Receivables	-	-	4.49	15.12
Gratuity Assets (refer note 29)	809.34	955.61	91.63	85.95
	<b>3,167.65</b>	<b>5,289.31</b>	<b>3,441.08</b>	<b>1,393.10</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 7 Other Financial Assets (Contd...)

**Notes:**

- a) Advance for land consideration are payments towards cost of acquisition of land for port development which is acquired and owned by Government of Odisha, the payment of which has been borne by one of the subsidiary. The payments so made by the subsidiary are being adjusted against revenue share dues payable to the government from the commencement date of commercial operations in annual equal instalments over 15 years.
- b) Future minimum lease receivables under finance leases together with the present value of the net minimum lease payments receivable ("MLPR") are as follows:

₹ In crore

Particulars	March 31, 2024		March 31, 2023	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within One Year	100.18	80.95	114.49	89.53
After one year but not later than five years	443.56	294.16	385.53	248.70
More than five years	3,025.35	965.14	2,825.80	863.33
<b>Total minimum lease receivables</b>	<b>3,569.09</b>	<b>1,340.25</b>	<b>3,325.82</b>	<b>1,201.56</b>
Less: Amounts representing finance charges	(2,228.84)	-	(2,124.26)	-
<b>Present value of minimum lease receivables</b>	<b>1,340.25</b>	<b>1,340.25</b>	<b>1,201.56</b>	<b>1,201.56</b>

### 8 Other Assets

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Capital advances</b> (refer note (a) & (d) below)	3,317.94	2,999.34	-	-
<b>Advances Other than Capital advance</b>				
Advances recoverable other than in cash				
To related parties	-	-	12.55	24.96
To others	0.52	0.18	129.16	116.47
<b>Others</b>				
Balance with Government Authorities (refer note (c) below)	624.90	450.43	585.05	429.02
Prepaid Expenses	71.07	70.98	193.17	157.91
Accrued revenue	-	-	66.88	65.70
Contract Assets (refer note (b) below)	-	-	190.39	370.68
Deferred Rent	22.76	21.56	0.20	-
Taxes recoverable (net) (refer note 27)	1,028.18	732.41	-	-
	<b>5,065.37</b>	<b>4,274.90</b>	<b>1,177.40</b>	<b>1,164.74</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 8 Other Assets (Contd...)

### Notes:

- Capital advance includes ₹ 830.89 crore (previous year ₹ 315.31 crore) paid to various parties and government authorities towards purchase of land.
- 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 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.
- Balance with Government Authorities includes ₹ 10 crore paid to Kamarajar Port Limited ("KPL") as a deposit. (refer note 36(o)).
- Capital advance is net of allowances for doubtful advance amounting to ₹ 10.59 crore (previous year ₹ 10.59 crore).

## 9 Inventories (At lower of cost and Net realisable value)

₹ In crore

Particulars	Current portion	
	March 31, 2024	March 31, 2023
Stores and Spares, Fuel and Lubricants	437.51	451.97
	<b>437.51</b>	<b>451.97</b>

## 10 Current Investments

₹ In crore

Particulars	March 31, 2024	March 31, 2023
<b>Unquoted mutual funds (Investment at fair value through profit or loss)</b>		
18,812.27 units (previous year 5,793.35 units) of ₹ 357.43 each (previous year ₹ 1,208.48 each) in ICICI Prudential Overnight Fund Direct Plan	0.67	0.70
Nil (previous year 1,57,035.17 units of ₹ 3,523.30 each) in SBI Premier Liquid Fund - Direct Plan - Growth	-	55.33
Nil (previous year 65,494.58 units of ₹ 3,649.25 each) in SBI Overnight Fund Direct Growth	-	23.90
Nil (previous year 28,48,467.52 units of ₹ 363.08 each) in Birla Sun Life Cash Plus -Growth-Direct Plan	-	103.42
Nil (previous year 9,06,845.84 units of ₹ 1,212.44 each) in Aditya Birla Overnight Fund Growth -Direct Plan	-	109.95
<b>Other Investment (Investment at fair value through profit or loss)</b>		
Nil (previous year 1,14,203 units) of Special Infrastructure Investment Scheme of ASSIS	-	1,136.98
27,00,000 units (previous year Nil) of Government and Trust Securities (Pledged)	27.82	-
Investments in Corporate Bonds	337.51	1,027.65
Investments in Government Bonds	295.79	855.93
Investments in Equity Instruments	-	345.65
<b>In Others (Investment at fair value through OCI) (refer note (i) below)</b>		
Secured Loan to Other Classified as Equity in Nature (refer note (ii) below)	-	286.33
	<b>661.79</b>	<b>3,945.84</b>
Aggregate carrying value of unquoted Mutual Funds	0.67	293.30
Aggregate net assets value of unquoted Mutual Funds	0.67	293.30

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 10 Current Investments (Contd...)

**Notes :**

i) Reconciliation of Fair Value measurement of the investment

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Opening Balance	286.33	-
Reclassified from Non-current to Current	-	230.00
Investment made during the year	-	64.64
Proceeds from sale of investment	(286.33)	-
Fair Value loss recognised in other comprehensive income	-	(8.31)
<b>Closing Balance</b>	<b>-</b>	<b>286.33</b>

ii) As on March 31, 2023, the subsidiary company had given loan (net of fair value adjustment) amounting to ₹ 286.33 crore to an Assets Reconstruction Company (Omkara Assets Reconstruction Private Limited (ARC)) to invest into Security receipts of an Assets Reconstruction Trusts (Omkara ARC Trusts PS 14-18/2021-22 (ARC Trusts)). The said amounts advanced to ARC were secured by security receipts issued by the ARC Trusts.

Considering requirement of Ind AS 32 – Financial Instruments – Classification and terms of the instrument, the amount advanced were assessed and classified as 'Equity' in nature and disclosed as Secured Loan classified as Equity in Nature and designated as FVTOCI as the investment was not held for trading purpose and disclosing their fair value fluctuation in profit or loss would not reflect the purpose of holding.

As on March 31, 2023, Management had assessed that fair value of the said investment was lower than carrying value and hence such change in fair value of the instrument was recognised in the financial statements. During the current financial year, the subsidiary company has realized proceeds from sale of the said investment, which is equivalent to its carrying value.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 11 Cash and Bank Balances

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Cash and cash equivalents</b>				
Balance in current account	-	-	772.50	535.78
Deposits with original maturity of less than three months	-	-	800.95	570.82
Cash on hand	-	-	2.28	14.51
			<b>1,575.73</b>	<b>1,121.11</b>
<b>Other bank balances</b>				
Bank Deposit with maturity of more than 12 months	1,523.10	1,455.61	-	-
In Current Account (earmarked for Unpaid Dividend)	-	-	2.78	2.40
Deposits with original maturity over 3 months but less than 12 months	-	-	2,633.13	1,182.21
Margin Money Deposits (refer note (i) below)	0.43	11.82	3,420.24	2,028.59
	<b>1,523.53</b>	<b>1,467.43</b>	<b>6,056.15</b>	<b>3,213.20</b>
Amount disclosed under Non- Current Financial Assets in Balance Sheet	(1,523.53)	(1,467.43)	-	-
	-	-	<b>6,056.15</b>	<b>3,213.20</b>

### Note:

- (i) Margin Money Deposits (net of overdraft facilities of ₹ Nil (Previous year ₹ 3,449.50 crore)) aggregating to ₹ 3,420.67 crore (previous year ₹ 2,040.41 crore) are pledged / lien against bank guarantees, letter of credit and other credit facilities.
- (ii) For the purpose of Statement of Cash Flows, cash and cash equivalents comprises the following.

₹ In crore

Particulars	March 31, 2024	March 31, 2023
Balance in current account	772.50	535.78
Deposits with original maturity of less than three months	800.95	570.82
Cash on hand	2.28	14.51
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>1,575.73</b>	<b>1,121.11</b>
Cash & Cash Equivalents attributable to Assets held for sale (refer note 40)	-	4.71
<b>Cash and Cash Equivalents as per Cash Flow Statement</b>	<b>1,575.73</b>	<b>1,125.82</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 12 Share Capital

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Authorized share capital</b>		
<b>Equity share capital</b>		
10,47,50,00,000 (previous year 10,47,50,00,000) Equity Shares of ₹ 2 each	2,095.00	2,095.00
<b>Preference Share Capital</b>		
50,00,000 (previous year 50,00,000) Non-Cumulative Redeemable Preference shares of ₹ 10 each	5.00	5.00
	<b>2,100.00</b>	<b>2,100.00</b>
<b>Issued, subscribed and fully paid-up share capital</b>		
2,16,01,38,945 (previous year 2,16,01,38,945) fully paid up Equity Shares of ₹ 2 each	432.03	432.03
	<b>432.03</b>	<b>432.03</b>

### a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2024		March 31, 2023	
	No.	₹ In crore	No.	₹ In crore
At the beginning of the year	2,16,01,38,945	432.03	2,11,23,73,230	422.47
Add: Issue of Equity Shares pursuant to Composite Scheme of Arrangement (refer note (ii) below & note 58)	-	-	4,77,65,715	9.56
<b>Outstanding at the end of the year</b>	<b>2,16,01,38,945</b>	<b>432.03</b>	<b>2,16,01,38,945</b>	<b>432.03</b>

#### Notes:

##### i) Terms/rights attached to equity shares

The Company has only one class of equity share having par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

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.

##### For the period of five years immediately preceding the date at which the Balance Sheet is prepared:-

- ii) Aggregate number of 11,83,87,184 (upto March 31, 2023: 11,83,87,184) equity shares of ₹ 2 each have been allotted, Pursuant to Composite Scheme of Arrangement.
- iii) Aggregate number of 3,92,00,000 (upto March 31, 2023: 3,92,00,000) equity shares bought back.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 12 Share Capital (Contd...)

### b) Equity Component of Non-cumulative Redeemable Preference Shares

Particulars	March 31, 2024		March 31, 2023	
	No.	₹ In crore	No.	₹ In crore
At the beginning of the year	25,01,824	166.53	25,01,824	166.53
Add/(Less):- Movement during the year (net)	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>25,01,824</b>	<b>166.53</b>	<b>25,01,824</b>	<b>166.53</b>

#### i) Terms of Non-Cumulative Redeemable Preference shares

During the current year, the Company has redeemed 25,01,824 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹ 10 each at a premium of ₹ 990 per share and issued 25,01,824 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹ 10 each at a premium of ₹ 990 per share on private placement basis.

The Company has outstanding 25,01,824 (previous year 25,01,824) 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹ 10 each issued at a premium of ₹ 990 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference share holders. These shares are redeemable at any time at the option of the company within a period not exceeding 7 years from the date of allotment an aggregate premium of ₹ 247.68 crore (previous year ₹ 247.68 crore) (equivalent to ₹ 990.00 per share).

In the event of liquidation of the Company, the holder of NCRPS (before redemption) will have priority over equity shares in the payment of dividend and repayment of capital. The preference shares carry fixed dividend which is non-discretionary.

The Preference Shares issued by the Company are classified as Financial Liabilities. These preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised as interest expense using the effective interest method.

The equity component of redeemable preference shares includes the securities premium amount received on issue of preference shares and the preference share capital, redemption premium reserve being created in compliance of the Companies Act, 2013.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 12 Share Capital (Contd...)

### c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2024		March 31, 2023	
	No.	% Holding in the Class	No.	% Holding in the Class
<b>Equity shares of ₹ 2 each fully paid</b>				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	71,07,53,935	32.90%
ii) Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	13,81,93,549	6.40%
iii) Flourishing Trade and Investment Limited	12,44,54,607	5.76%	12,44,54,607	5.76%
iv) Emerging Market Investment DMCC	13,62,35,995	6.31%	*	*
v) Life Insurance Corporation of India	16,97,61,417	7.86%	19,70,26,194	9.12%
<b>Non-Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up</b>				
Priti G. Adani (on behalf of S.B. Adani Family Trust)	15,01,095	60.00%	-	-
Shilin R. Adani (on behalf of S.B. Adani Family Trust)	10,00,729	40.00%	-	-
Priti G. Adani	-	-	5,00,365	20.00%
Shilin R. Adani	-	-	5,00,364	20.00%
Pushpa V. Adani	-	-	5,00,365	20.00%
Ranjan V. Adani	-	-	5,00,455	20.00%
Suvarna M. Adani	-	-	5,00,275	20.00%

\* Holding less than 5%

### d) Details of Equity Shares held by Promoter and Promoter Group at the end of the year

As at March 31, 2024

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Gautambhai Shantilal Adani	1	0.00%	-
Rajeshbhai Shantilal Adani	30,001	0.00%	-
Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	-
Adani Properties Private Limited	16,85,000	0.08%	-
Adani Rail Infra Private Limited	7,06,21,469	3.27%	-
Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	-
Worldwide Emerging Market Holding Limited	8,60,92,798	3.99%	-
Afro Asia Trade and Investments Limited	8,99,45,212	4.16%	-
Emerging Market Investment DMCC	13,62,35,995	6.31%	61.84%
Flourishing Trade And Investment Limited	12,44,54,607	5.76%	-
Gelt Bery Trade And Investment Limited	100	0.00%	-
Spitze Trade And Investment Limited	1,23,58,700	0.57%	-
Resurgent Trade And Investment Limited	5,30,04,718	2.45%	100%
<b>Total</b>	<b>1,42,33,76,085</b>	<b>65.89%</b>	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 12 Share Capital (Contd...)

As at March 31, 2023

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Gautambhai Shantilal Adani	1	0.00%	-
Rajeshbhai Shantilal Adani	30,001	0.00%	100%
Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	(11.08%)
Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	-	0.00%	(100%)
Adani Properties Private Limited	16,85,000	0.08%	-
Adani Rail Infra Private Limited	7,06,21,469	3.27%	-
Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	-
Worldwide Emerging Market Holding Limited	8,60,92,798	3.99%	-
Afro Asia Trade and Investments Limited	8,99,45,212	4.16%	-
Emerging Market Investment DMCC	8,41,79,195	3.90%	-
Flourishing Trade And Investment Limited	12,44,54,607	5.76%	8.74%
Gelt Bery Trade And Investment Limited	100	0.00%	100%
Spitze Trade And Investment Limited	1,23,58,700	0.57%	100%
<b>Total</b>	<b>1,31,83,14,567</b>	<b>61.03%</b>	

### e) Details of Non-Cumulative Redeemable Preference Shares held by Promoter and Promoter Group at the end of the year

As at March 31, 2024

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Priti G. Adani (on behalf of S.B. Adani Family Trust)	15,01,095	60.00%	100%
Shilin R. Adani (on behalf of S.B. Adani Family Trust)	10,00,729	40.00%	100%
Priti G. Adani	-	-	(100%)
Shilin R. Adani	-	-	(100%)
<b>Total</b>	<b>25,01,824</b>	<b>100.00%</b>	

As at March 31, 2023

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Priti G. Adani	5,00,365	20.00%	-
Shilin R. Adani	5,00,364	20.00%	-
<b>Total</b>	<b>10,00,729</b>	<b>40.00%</b>	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 13 Other Equity

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Equity Component of Non Cumulative Redeemable Preference shares</b>		
Opening Balance	166.53	166.53
Change during the year	-	-
<b>Closing Balance</b>	<b>166.53</b>	<b>166.53</b>

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Securities Premium</b>		
Opening Balance	9,747.36	6,151.66
Add: Premium on Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note 12(a) (ii) and refer note 58)	-	3,595.70
<b>Closing Balance</b>	<b>9,747.36</b>	<b>9,747.36</b>

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>General Reserve</b>		
Opening Balance	2,853.30	2,812.13
Add: Transfer from Debenture Redemption Reserve	108.33	41.17
<b>Closing Balance</b>	<b>2,961.63</b>	<b>2,853.30</b>

**Note:-** The general reserve is used from time to time to transfer profit from retained earnings for apportionment purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Debenture Redemption Reserve ("DRR")</b>		
Opening Balance	701.45	632.74
Add: Transferred from Retained Earnings	133.95	109.88
Less: Transferred to General Reserve	(108.33)	(41.17)
<b>Closing Balance</b>	<b>727.07</b>	<b>701.45</b>

**Note:-** The Company has issued redeemable non-convertible debentures. The Company has been creating Debenture Redemption Reserve (DRR) as per the relevant provisions of the Companies Act 2013. However, according to Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Company is not required to create DRR on any fresh issue of Debentures. Accordingly, the Company has not created DRR on fresh issue of redeemable non-convertible debentures.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Capital Redemption Reserve ("CRR")</b>		
Opening Balance	7.84	7.84
Change during the year	-	-
<b>Closing Balance</b>	<b>7.84</b>	<b>7.84</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 13 Other Equity (Contd...)

**Note:-** As per Companies Act, 2013, Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Tonnage Tax Reserve</b>		
Opening Balance	1,263.35	991.13
Add: Transferred from Retained Earnings	505.89	272.22
<b>Closing Balance</b>	<b>1,769.24</b>	<b>1,263.35</b>

**Note:-** Certain Subsidiary companies have opted for Tonnage Tax Scheme u/s 115V of the Income Tax Act, 1961. Accordingly Section 115 VT of the Income Tax Act, 1961 requires the said companies to create Tonnage Tax Reserve and transfer the amount equivalent to 20% of the book profits of the said companies from retained earnings to Tonnage Tax Reserve and to be utilised only for the purpose as mentioned in the said Act.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Retained Earnings</b>		
Opening Balance	30,723.18	27,057.02
Add: Profit attributable to equity holders of the parent	8,110.64	5,308.85
Less: Dividend on shares	(1,080.07)	(1,056.19)
Add: Adjustment on acquisition of Non-Controlling Interests	-	3.50
Less: Consideration paid to Non-Controlling Interests and other adjustment	-	(220.93)
Less: Transfer to Debenture Redemption reserve	(133.95)	(109.88)
Less: Transfer to Tonnage Tax Reserve	(505.89)	(272.22)
Add: Share in other comprehensive income of joint venture (net of tax)	74.57	-
Add: Remeasurement gain on defined benefit plans (net of tax)	7.21	13.03
<b>Closing Balance</b>	<b>37,195.69</b>	<b>30,723.18</b>

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Share pending Issuance</b>		
Opening Balance	-	3,605.26
Less: Issue of equity share against pending issuance	-	(3,605.26)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 13 Other Equity (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Capital Reserve</b>		
Opening Balance	101.36	5.95
Add: Addition on account of acquisition (refer note 39(i))	398.39	95.41
<b>Closing Balance</b>	<b>499.75</b>	<b>101.36</b>

**Note:-** The excess of fair value of net assets acquired over consideration paid in business combination is recognised as capital reserve on consolidation. The reserve is not available for distribution.

### Other Comprehensive Income

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Foreign Currency translation reserve</b>		
Opening Balance	(222.80)	(67.46)
Add/(Less): Change during the year	131.79	(155.34)
<b>Closing Balance</b>	<b>(91.01)</b>	<b>(222.80)</b>

**Note:-** Exchange differences relating to translation of results and net assets of the group's foreign operations from their functional currencies to the group's presentation currency (i.e rupees) are recognised directly in other comprehensive income and accumulated in foreign currency translation reserve.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Cash Flow Hedge Reserve (refer note 34.3(A)(ii))</b>		
Opening Balance	(503.51)	24.22
Less: Effective portion of gains and losses on designated portion of cash flow hedge	(183.95)	(560.11)
Add/(Less): Recycled to profit and loss account	(25.39)	11.61
Add/(Less): Share of other comprehensive (loss)/income of joint venture	(40.29)	20.77
<b>Closing Balance</b>	<b>(753.14)</b>	<b>(503.51)</b>

**Note:-** The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the cash flow hedge that are recognised and accumulated under the heading of cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Equity instrument through other comprehensive income</b>		
Opening Balance	285.83	178.73
Add/(Less): Change in fair value of FVTOCI Equity Investments (net of tax)	(4.05)	107.10
<b>Closing Balance</b>	<b>281.78</b>	<b>285.83</b>

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

<b>Total Other Equity</b>	<b>52,512.74</b>	<b>45,123.89</b>
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# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 13 Other Equity (Contd...)

### Dividend Distribution made and proposed

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Cash Dividend on Equity Shares declared and paid</b>		
Final Dividend for the year ended March 31, 2023 ₹ 5 per share (Previous year ₹ 5 per share) on 2,16,01,38,945 equity shares (Previous year 2,11,23,73,230 equity shares)	1,080.07	1,056.19
	<b>1,080.07</b>	<b>1,056.19</b>
<b>Proposed Dividend on Equity Shares</b>		
Final Dividend for the year ended March 31, 2024 ₹ 6 per share (Previous year ₹ 5 per share)	1,296.08	1,080.07
	<b>1,296.08</b>	<b>1,080.07</b>
<b>Cash Dividend on Preference Shares declared and paid</b>		
Dividend @ 0.01% on Non-Cumulative Redeemable Preference Shares	-*	-*
<b>Proposed Dividend on Preference Shares</b>		
Dividend @ 0.01% on Non-Cumulative Redeemable Preference Shares	-*	-*

\* Figure nullified in conversion of ₹ in crore

Proposed dividend on equity shares are in compliance with relevant section of the Companies Act, 2013 which is subject to approval at the annual general meeting and are not recognised as liability.

## 14 Non-Current Borrowings

Particulars	₹ In crore			
	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Debentures</b>				
15,000 (previous year 15,000) 8.50% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured. (Redeemable on April 12, 2030 (refer note (a) below)	1,489.47	1,488.20	-	-
2,520 (previous year 2,520) 9.35% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable on July 04, 2026) (refer note (b) below)	251.73	251.64	-	-
16,000 (previous year 16,000) 7.65% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable ₹ 533.30 crore on October 31, 2025, ₹ 533.30 crore on October 31, 2026 and ₹ 533.40 crore on October 30, 2027) (refer note (c) below)	1,593.63	1,591.45	-	-
10,000 (previous year 10,000) 8.22% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable ₹ 333.34 crore on March 07, 2025, ₹ 333.33 crore on March 07, 2026 and ₹ 333.33 crore on March 08, 2027) (refer note (b) below)	666.66	1,000.00	333.34	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 14 Non-Current Borrowings (Contd...)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
13,000 (previous year 13,000) 8.24% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable ₹ 433.33 crore on November 29, 2024, ₹ 433.33 crore on November 29, 2025 and ₹ 433.34 crore on November 27, 2026) (refer note (a) below)	866.67	1,300.00	433.33	-
10,000 (previous year 10,000) 6.25% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable at October 18, 2024) (refer note (d) below)	-	991.14	996.76	-
Nil (previous year 9,000) 6.50% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured. (Redeemed during the current year) (refer note (a) below)	-	-	-	898.73
Nil (previous year 6,000) 7.25% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured. (Redeemed during the current year) (refer note (b) below)	-	-	-	599.74
1,000 (previous year 2,000) 9.35% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable ₹ 100 crore on May 27, 2026) (refer note (a) below)	99.64	99.49	-	99.96
25,000 (previous year Nil) 8.70% Non Convertible Redeemable Debentures of ₹ 1,00,000 each Secured (Redeemable on January 09, 2029) (refer note (e) below)	244.42	-	-	-
25,000 (previous year Nil) 8.80% Non Convertible Redeemable Debentures of ₹ 1,00,000 each Secured (Redeemable on January 09, 2034) (refer note (e) below)	244.42	-	-	-
1,000 (previous year 1000) 8.60% Non Convertible Redeemable Debentures of ₹ 10,00,000 each Secured (Redeemable at eighteen quarterly installments to be repaid by September 18, 2027) (refer note g(i) below)	47.50	56.50	9.00	9.00
<b>Foreign currency Bonds</b>				
5% Foreign Currency Bond priced at 315.30 basis points over the 20 years US Treasury Note (unsecured) (refer note f(i) below)	3,703.04	3,645.68	-	-
3.828% Foreign Currency Bond priced at 255 basis points over the 10.50 years US Treasury Note (unsecured) (refer note f(ii) below)	2,473.19	2,432.95	-	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 14 Non-Current Borrowings (Contd...)

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
3.10% Foreign Currency Bond priced at 205.50 basis points over the 10 years US Treasury Note (unsecured) (refer note f(iii) below)	4,143.18	4,078.00	-	-
4.375% Foreign Currency Bond priced at 238 basis points over the 10 years US Treasury Note (unsecured) (refer note f(iv) below)	6,226.45	6,126.65	-	-
4.20% Foreign Currency Bond priced at 376 basis points over the 7 years US Treasury Note (unsecured) (refer note f(v) below)	6,237.55	6,138.19	-	-
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured) (refer note f(vi) below)	4,158.39	4,088.21	-	-
3.375% Foreign Currency Bond priced at 150 basis points over the 5 years US Treasury Note (unsecured) (refer note f(vii) below)	-	5,335.15	2,710.95	-
<b>Preference Shares</b>				
Liability Component of 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12(b))	137.05	125.73	-	-
<b>Foreign currency loans</b>				
From banks (secured) (refer note g(ii) & g(iii) below)	249.60	2,804.39	2,568.52	82.26
From banks (unsecured) (refer note g(iv) below)	3,868.62	3,868.54	-	-
<b>Rupee Loan</b>				
From banks (secured) (refer note g(v) to g(xi) below)	12.97	114.49	101.51	165.58
From banks (Unsecured) (refer note f(ix) below)	350.00	-	150.00	-
From others (unsecured) (refer note g(xii) below)	2.52	2.52	-	-
<b>Foreign currency letters of credit</b>				
From banks (secured) (refer note f(viii) & g(xviii) below)	59.44	13.84	13.91	11.27
From banks (unsecured) (refer note f(x), f(xi), g(xiii) to g(xvii) below)	536.79	964.18	370.67	157.26
	<b>37,662.93</b>	<b>46,516.94</b>	<b>7,687.99</b>	<b>2,023.80</b>
<b>The above amount includes</b>				
Secured borrowings	5,826.15	9,711.14	4,456.37	1,866.54
Unsecured borrowings	31,836.78	36,805.80	3,231.62	157.26
Amount disclosed under the head Current borrowings (refer note 18)	-	-	(7,687.99)	(2,023.80)
	<b>37,662.93</b>	<b>46,516.94</b>	<b>-</b>	<b>-</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 14 Non-Current Borrowings (Contd...)

### Notes:

- a) Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹ 2,889.11 crore (previous year ₹ 3,886.38 crore) which are secured by first rank Pari-passu charge on all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port.
- b) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,251.73 crore (previous year ₹ 1,851.38 crore) which are secured by first rank pari-passu charge on all the movable and immovable Project Assets pertaining to Coal Terminal of the Company located at Wandh, Mundra Port.
- c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,593.63 crore (previous year ₹ 1,591.45 crore) are secured by first rank pari-passu charge on the movable and immovable Project Assets of Multi-Purpose Terminal, Terminal-II and Container Terminal –II of the Company located at Mundra Port and specified assets of one of the Wholly Owned Subsidiary Company.
- d) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 996.76 crore (previous year ₹ 991.14 crore) are secured by first rank Pari-passu charge on Specified Assets of one of the Wholly Owned Subsidiary Company.
- e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 488.84 crore (previous year ₹ Nil) are secured by pari-passu charge on the identified loans and advances and / or receivables arising out of outstanding financial assistance provided by the Company to one of the Subsidiary.
- f) **Unsecured Loan**
  - (i) 20 years Foreign Currency Bond of USD 450 million equivalent to ₹ 3,703.04 crore (previous year ₹ 3,645.68 crore) carries interest rate at 5% p.a. with bullet repayment in the year 2041.
  - (ii) 10.50 years Foreign Currency Bond of USD 300 million equivalent to ₹ 2,473.19 crore (previous year ₹ 2,432.95 crore) carries interest rate at 3.828% p.a. with bullet repayment in the year 2032.
  - (iii) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹ 4,143.18 crore (previous year ₹ 4,078 crore) carries interest rate at 3.10% p.a. with bullet repayment in the year 2031.
  - (iv) 10 years Foreign Currency Bond of USD 750 million equivalent to ₹ 6,226.45 crore (previous year ₹ 6,126.65 crore) carries interest rate at 4.375% p.a. with bullet repayment in the year 2029.
  - (v) 7 years Foreign Currency Bond of USD 750 million equivalent to ₹ 6,237.55 crore (previous year ₹ 6,138.19 crore) carries interest rate at 4.20% p.a. with bullet repayment in the year 2027.
  - (vi) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹ 4,158.39 crore (previous year ₹ 4,088.21 crore) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.
  - (vii) 5 years Foreign Currency Bond of USD 325 million equivalent to ₹ 2,710.95 crore (previous year USD 650 million equivalent to ₹ 5,335.15 crore) carries interest rate at 3.375% p.a. with bullet repayment in the year 2024. USD 325 million has been prepaid during the current year.
  - (viii) Foreign currency letters of credit / Trade Credits aggregating to ₹ 59.44 crore (previous year ₹ Nil) are secured by subservient charge on certain movable Fixed assets and Current Assets of the Company.
  - (ix) Rupee term loan amounting to ₹ 500 crore (previous year ₹ Nil) carrying interest @ 1 Month T-bill plus spread of 1.26%. The loan is repayable in 6 quarterly structured instalment commencing from April 18, 2024.
  - (x) Trade credit facilities of ₹ 312.87 crore (previous year ₹ 308.24 crore). The same is repayable in next year unless maturity date of the same is extended/rolled over.
  - (xi) Foreign currency letters of credit / Trade Credits aggregating to ₹ 20.36 crore (previous year ₹ Nil) are unsecured with bullet repayment in the year 2026.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 14 Non-Current Borrowings (Contd...)

### g) Loans taken by the subsidiaries includes:

- (i) Secured Non-Convertible Redeemable Debentures issued by Ocean Sparkle Limited aggregating to ₹ 56.50 crore (previous year ₹ 65.50 crore) carrying interest of 8.6% p.a. are secured by way of mortgage of the marine assets. The principle amount is repayable in 13 equal quarterly instalments of ₹ 2.25 crore and last instalment of ₹ 27.25 crore and interest is payable on annual basis.
- (ii) Foreign currency Term Loan from Banks taken by Shanti Sagar International Dredging Limited aggregating to ₹ 332.30 crore (previous year ₹ 412.88 crore) are secured by way of first ranking exclusive charge over the assets of company committed under agreement, Charge on assets has been created through agreement in favor of Axis Trustee Service Limited acting on behalf of all the lenders. The same carries interest in the range of 6 month EURIBOR 4.60% plus 50 basis points. The loans are repayable 6 monthly in 20 equal instalments commencing from May 16, 2018 and final repayment will be done on November 16, 2027.
- (iii) Foreign currency Term Loan from Banks taken by Mediterranean International Ports A.D.G.D Limited aggregating to ₹ 2,485.82 crore (previous year ₹ 2,473.77 crore) are secured by way of by share pledge of Haifa Port Company. The facility carries fixed interest rate of 8.65 %. The loan is repayable in single Installment on January 10, 2025.
- (iv) Foreign currency Term Loan from Banks taken by Adani International Ports Holdings Pte Limited aggregating to ₹ 3,868.62 crore (previous year ₹ 3,868.54 crore) carries interest @ SOFR plus margin of 1.50% per annum and TONAR plus margin of 0.75% per annum. The loans are repayable in full, 3 years from the date of drawdown on January 06, 2023.
- (v) Loan taken by Adani Agri Logistics Limited aggregating to ₹ 52.51 crore (previous year ₹ 92.11 crore) is secured by first exclusive charge on mortgage of immovable properties pertaining to the project, first exclusive charge by way of hypothecation of all movable assets, first exclusive charge on book debts, operating cash flows, receivables, commission, revenues of projects, first exclusive charge by way of hypothecation over Escrow Account and DSRA, first charge by way of assignment of project rights. The term loan will be repaid based on monthly instalments as per the loan repayment schedule agreed upon in the sanction letter.
  - The Term Loan having sanctioned amount of ₹ 450 crore carries interest rate ranging from 8.85% p.a. to 8.97% p.a.
- (vi) Rupee Term Loan taken by Adani Agri Logistics (Katihar) Limited aggregating to ₹ Nil (previous year ₹ 28.45 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets. The Term Loan carries interest ranging from 8.40% to 8.72%. Repayment of loan has been made by a single payment on December 29, 2023 with interest debited on monthly basis. Rupee Term Loan taken aggregating to ₹ 5.53 crore (previous year ₹ 5.53 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets. Repayment of loan will be made by a single payment on December 31, 2024 with interest debited on monthly basis. The Term Loan carries interest ranging from 8.33% to 8.60%.
- (vii) Rupee Term Loan taken by Adani Agri Logistics (Kannau) Limited aggregating to ₹ Nil (previous year ₹ 10.20 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. The Term Loan carries interest ranging from 8.40% to 8.72%. Repayment of loan has been made by a single payment on December 29, 2023 with interest debited on monthly basis. Rupee Term Loan aggregating to ₹ 36.78 crore (previous year ₹ 36.78 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 31, 2024 with interest debited on monthly basis. The Term Loan carries interest ranging from 8.33% to 8.60%.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 14 Non-Current Borrowings (Contd...)

- (viii) Rupee Term Loan taken by Adani Agri Logistics (Panipat) Limited aggregating to ₹ Nil (previous year ₹ 38.70 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. The Term Loan carries interest ranging from 8.40% to 8.72%. Repayment of loan has been made by a single payment on December 29, 2023 with interest debited on monthly basis.
- (ix) Rupee Term Loan taken by Adani Agri Logistics (Samastipur) Limited aggregating to ₹ Nil (previous year ₹ 20.40 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. The Term Loan carries interest ranging from 8.40% to 8.72%. Repayment of loan has been made by a single payment on December 29, 2023 with interest debited on monthly basis. Rupee Term Loan aggregating to ₹ 5.49 crore (previous year ₹ 5.49 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 31, 2024 with interest debited on monthly basis. The Term Loan carries interest ranging from 8.33% to 8.60%.
- (x) Rupee Term Loan taken by Adani Agri Logistics (Darbhanga) Limited aggregating to ₹ Nil (previous year ₹ 28.24 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. The Term Loan carries interest ranging from 8.40% to 8.72%. Repayment of loan has been made by a single payment on December 29, 2023 with interest debited on monthly basis.
- (xi) Rupee Term Loan taken by Adani Agri Logistics (Dhamora) Limited aggregating to ₹ 14.17 crore (previous year ₹ 14.17 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 31, 2024 with interest debited on monthly basis. The Term Loan carries interest ranging from 8.33% to 8.60%.
- (xii) Loan taken by Adinath Polyfills Private Limited aggregating to ₹ 2.52 crore (previous year ₹ 2.52 crore) from its related parties.
- (xiii) Suppliers Bill Accepted under Foreign Letter of credit facilities taken by Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Limited) aggregating to ₹ 301.29 crore (previous year ₹ 438.28 crore) carries interest in the range of 6 Month JPY Tibor plus 135 BPS. The Foreign letter of credit outstanding as at March 31, 2024 is repayable within 6 to 12 months and maturity is extended as per RBI Guidelines for Capital Goods.
- (xiv) Suppliers Bill Accepted under Foreign Letter of credit facilities taken by Adani Vizhinjam Port Private Limited of ₹ Nil (Previous year ₹ 55.99 crore) carries interest between 0.96% - 1.03% and the same has been repaid on July 28, 2023.
- (xv) Trade credit facilities taken by Adani Gangavaram Port Limited of ₹ 240.43 crore (previous year ₹ 236.87 crore) carries interest rate of 6M SOFR + 90BPS. The same is repayable on April 4, 2025 unless maturity date of the same is extended/rolled over as per RBI Guidelines.
- Trade credit facilities of ₹ Nil (previous year ₹ 82.06 crore) carries interest rate of 6M SOFR + 95BPS.
- (xvi) Letter of credit taken by Adani Forwarding Agent Limited aggregating to ₹ 6.50 crore (previous year ₹ Nil) to procure equipment, with an interest rate of 12M EURIBOR PLUS 80 BPS, currently prevailing at 4.86%. The repayment is scheduled 900 days from the bill of lading date, set for December 29, 2025.
- (xvii) Letter of credit taken by Adani Logistics Limited from banks aggregating to ₹ 26.01 crore (previous year ₹ Nil). The Foreign letter of credit outstanding as at March 31, 2024 is repayable by 360 days to 720 days from date of Bill of Lading.
- (xviii) Letter of credit taken by Adani Krishnapatnam Port Limited aggregating to ₹ 13.91 crore (previous year ₹ 25.11 crore) is repayable by 360 days to 720 days from the days of Bill of Lading.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 15 Lease Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Lease Liabilities (refer note (a) and (b))	2,953.28	2,687.29	71.20	61.97
	<b>2,953.28</b>	<b>2,687.29</b>	<b>71.20</b>	<b>61.97</b>

### Notes:

- a) Land, Building, Vehicles, Plant & Equipments and Railway Wagons have been taken on lease by the Group. The terms of lease rent are for the period ranging from 3 years to 40 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.
- b) **Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows.**

₹ In crore

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
<b>March 31, 2024</b>						
Minimum Lease Payments	128.57	817.99	5,639.90	6,586.46	(3,561.98)	3,024.48
Finance charge allocated to future periods	57.37	503.31	3,001.30	3,561.98	-	-
Present Value of MLP	71.20	314.68	2,638.60	3,024.48	-	3,024.48
<b>March 31, 2023</b>						
Minimum Lease Payments	111.76	785.59	5,278.88	6,176.23	(3,426.97)	2,749.26
Finance charge allocated to future periods	49.79	482.76	2,894.42	3,426.97	-	-
Present Value of MLP	61.97	302.83	2,384.46	2,749.26	-	2,749.26

## 16 Other Financial Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Derivative Instruments	18.58	25.12	74.95	36.52
Capital creditors and retention money	138.64	101.14	2,050.52	1,156.34
Other payables (including discounts etc.)	-	-	574.79	548.60
Unpaid Dividend <sup>#</sup>	-	-	2.79	2.40
Interest accrued but not due on borrowings	139.20	99.82	609.55	766.03
Deposit from Customer	63.69	93.78	143.52	60.11
Financial Guarantees Obligation	-	2.98	-	5.54
Payables against business combination	-	-	21.92	21.92
Put Option Liability	-	-	23.50	23.50
	<b>360.11</b>	<b>322.84</b>	<b>3,501.54</b>	<b>2,620.96</b>

<sup>#</sup> Not due for credit to "Investors Education & Protection Fund"

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 16 Other Financial Liabilities (Contd...)

Note:

(a) Disclosure with regards to changes in liabilities arising from financing activities - 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.

₹ in crore

Particulars	Borrowings and Interest accrued but not due	Lease Liabilities	Unpaid Dividend on Equity and Preference Shares	Derivative Contract	Total
<b>April 01, 2022</b>	<b>46,407.08</b>	<b>2,015.94</b>	<b>1.96</b>	<b>35.89</b>	<b>48,460.87</b>
Cash Flows	(2,025.65)	(53.01)	(1,092.91)	(482.71)	(3,654.28)
Foreign Exchange Movement	2,522.44	-	-	-	2,522.44
Addition of lease obligation (net)	-	539.86	-	-	539.86
Other adjustments	(106.62)	-	-	569.25	462.63
Charged to Profit and Loss	2,593.62	-	-	(230.98)	2,362.64
Acquisition adjustment	1,593.53	246.47	-	(0.32)	1,839.68
Dividend recognised during the year	-	-	1,093.35	-	1,093.35
Bills discounted (net)	399.88	-	-	-	399.88
<b>March 31, 2023</b>	<b>51,384.28</b>	<b>2,749.26</b>	<b>2.40</b>	<b>(108.87)</b>	<b>54,027.07</b>
Cash Flows	(6,937.54)	(47.53)	(1,079.68)	29.48	(8,035.27)
Foreign Exchange Movement	348.82	-	-	-	348.82
Addition of lease obligation (net)	-	322.75	-	-	322.75
Other adjustments	147.13	-	-	247.20	394.33
Charged to Profit and Loss	2,784.41	-	-	(51.47)	2,732.94
Dividend recognised during the year	-	-	1,080.07	-	1,080.07
Bills discounted (net)	(699.12)	-	-	-	(699.12)
<b>March 31, 2024</b>	<b>47,027.98</b>	<b>3,024.48</b>	<b>2.79</b>	<b>116.34</b>	<b>50,171.59</b>

### 17 Other Liabilities

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Advance from customers (refer note 40, 42)	-	-	872.34	871.34
Deposit from customers	-	-	13.02	12.67
Statutory liabilities	-	-	296.45	341.27
Unearned Income under long term land lease/ Infrastructure usage agreements	625.93	552.91	77.22	80.16
Deferred Income on fair valuation of Deposit taken	26.11	4.42	-	-
Deferred Government Grant (refer note (i) below)	1,012.95	591.51	20.15	20.23
Unearned revenue	-	-	15.32	10.68
Contract liabilities (refer note (ii) below)	-	-	537.95	473.06
	<b>1,664.99</b>	<b>1,148.84</b>	<b>1,832.45</b>	<b>1,809.41</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 17 Other Liabilities (Contd...)

### Notes:

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Opening Balance	611.74	466.12
Add : Addition during the year	441.97	158.41
Add:- Addition on account of acquisition of subsidiary	-	3.55
Less: Amortisation during the year (refer note 22)	(20.61)	(16.34)
<b>Closing Balance</b>	<b>1,033.10</b>	<b>611.74</b>

The Grant mainly includes amount received from Government of Kerala as Viability Gap Funding for development of Vizhinjam International Deepwater Multipurpose Seaport amounting to ₹ 829.82 crore (net of amortisation) and benefit received under Export Promotion Capital Goods ("EPCG") scheme of Department General of Foreign Trade India (DGFT).

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

## 18 Current Borrowings

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Foreign currency letters of credit (secured) (refer note (e) & f(i) below)	9.84	74.46
Foreign currency letters of credit (unsecured) (refer note f(iii) below)	1.88	-
Current maturities of long term borrowings (refer note 14)	7,687.99	2,023.80
Short term borrowings from banks (unsecured) (refer note d & f(iv) below)	582.97	-
Short term borrowings from banks (secured) (refer note (c) & f(v) below)	331.07	501.56
Packing Credit Rupee Loan from bank (unsecured) (refer note (a) below)	-	700.00
Short term borrowings from others (unsecured) (refer note f(ii) below)	2.55	2.55
	<b>8,616.30</b>	<b>3,302.37</b>
Customers' Bill Discounted (unsecured) (refer note (b) below)	-	699.12
	<b>8,616.30</b>	<b>4,001.49</b>

### Notes:

- a) Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹ 700 crore) carried interest rate of 7.85% p.a.
- b) Factored receivables of ₹ Nil (previous year ₹ 699.12 crore) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 1 to 12 months period. (refer note 5)
- c) Rupee term loan amounting to ₹ 237.32 crore (previous year ₹ 336.56 crore) carrying interest @ Repo Rate plus spread of 1.35%. The loan is repayable in 8 half yearly structured instalment commencing from December 30, 2020. The loan is secured by first rank Pari-passu charge on all the immovable and movable Project Assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. Considering the terms of the loan, same has been classified under current borrowings.
- d) Short term loan borrowing amounting to ₹ 190 crore (previous year ₹ Nil) carries interest rate @ 7.75%.
- e) Foreign currency letters of credit facilities of ₹ 1.04 crore (previous year ₹ Nil) is secured by subservient charge on certain movable Fixed assets and Current Assets of the Company.
- f) Loans taken by the subsidiaries includes:
- (i) Letter of credit taken by Adani Krishnapatnam Port Limited aggregating to ₹ 8.80 crore (previous year ₹ 74.46 crore) is repayable by 360 days to 720 days from the day of Bill of Lading.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 18 Current Borrowings (Contd...)

- (ii) Loan taken by AYN Logistics Infra Private Limited aggregating to ₹ 2.55 crore (Previous year ₹ 2.55 crore) from others.
- (iii) Unsecured Letter of credit take by Adani Hazira Port Limited from banks aggregating to ₹1.88 crore (Previous year ₹ Nil).The Foreign letter of credit outstanding as at March 31, 2024 is repayable by 360 days from date of Bill of Lading.
- (iv) Short term loan facility taken by Colombo West International Terminal (Private) Limited aggregating to ₹ 392.97 crore (previous year ₹ Nil) from Hatton National Bank PLC & Sampath Bank PLC. Interest is linked to SOFR.
- (v) Loans from banks taken by The Dhamra Port Company Limited includes secured rupee term loan from banks amounting to ₹ 93.75 crore (previous year ₹ 165 crore) repayable in 5 variable quarterly instalments upto June 2025 and carries interest @ 7.85% p.a. The loan is secured by a first pari passu charge on all immovable Property, Plant and Equipments (including lease hold properties), movable fixed assets, non-current assets & current assets (including book debts, operating cash flows, receivables, revenue), intangible assets both present & future and all bank accounts including (Trust & Retention Account and Debt Service Account). Also secured by pledge of equity shares held by the Company representing 30% of the total equity paid up capital of The Dhamra Port Company Limited. Loan has been classified as current loan on reporting date.

### 19 Trade Payables

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	152.50	98.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,014.86	2,197.16
	<b>2,167.36</b>	<b>2,296.04</b>
Dues to related parties included in above (refer note 32)	67.66	112.13

#### Trade payables ageing Schedule as on March 31, 2024

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	152.50	-	-	-	-	152.50
2	Others	1,420.94	430.08	14.09	0.35	9.04	1,874.50
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	140.36	-	-	-	-	140.36
	<b>Total</b>	<b>1,713.80</b>	<b>430.08</b>	<b>14.09</b>	<b>0.35</b>	<b>9.04</b>	<b>2,167.36</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 19 Trade Payables (Contd...)

Trade payables ageing Schedule as on March 31, 2023

₹ In crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	93.51	5.37	-	-	-	98.88
2	Others	1,168.61	753.29	124.17	8.43	2.30	2,056.80
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	140.36	-	-	-	-	140.36
	<b>Total</b>	<b>1,402.48</b>	<b>758.66</b>	<b>124.17</b>	<b>8.43</b>	<b>2.30</b>	<b>2,296.04</b>

## 20 Provisions

₹ In crore

Particulars	Non-current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Provision for Employee Benefits</b>				
Provision for gratuity (refer note 29)	1,090.10	1,205.34	93.03	85.43
Provision for compensated absences	10.00	9.56	100.41	102.02
	<b>1,100.10</b>	<b>1,214.90</b>	<b>193.44</b>	<b>187.45</b>
<b>Other Provisions</b>				
Provision for asset retirement obligation (refer note (i) below)	0.65	0.60	-	-
	<b>1,100.75</b>	<b>1,215.50</b>	<b>193.44</b>	<b>187.45</b>

Notes:

### (i) Movement of Asset Retirement Obligation

₹ In crore

Particulars	March 31, 2024	March 31, 2023
Opening Balance	0.60	0.56
Change during the year	0.05	0.04
<b>Closing Balance</b>	<b>0.65</b>	<b>0.60</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 21 Revenue from Operations

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Revenue from Contract with customer (refer note (a) below)</b>		
Income from Port Operations (including Port Infrastructure Services)	24,691.51	19,166.52
Aircraft Operations	94.10	84.49
Logistics Services	1,371.41	1,043.38
	<b>26,157.02</b>	<b>20,294.39</b>
Lease, Upfront Premium and Deferred Infrastructure Income (refer note (b) and (c) below)	553.54	557.52
	<b>26,710.56</b>	<b>20,851.91</b>

### Notes:

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Contract price	26,721.43	20,772.58
<b>Adjustment for:</b>		
Change in Consideration	(50.27)	(23.92)
Refund Liability	(513.46)	(460.19)
Change in value of Contract Assets	(5.10)	7.06
Change in value of Contract Liabilities	4.42	(1.14)
<b>Revenue from Contract with Customer</b>	<b>26,157.02</b>	<b>20,294.39</b>

b) The Company has given various assets on finance lease to various parties. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Land leases include a clause to enable upward revision of the rental charge upto 3 years upto 20%. The company has also received one-time income of upfront premium ranging from ₹ 2500 to ₹ 4500 per Sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹ 20.12 crore (previous year ₹ 156.35 crore) including upfront premium of ₹ 17.80 crore (previous year ₹ 128.63 crore) accrued under such lease have been booked as income in the statement of profit and loss.

#### c) Assets given under operating lease

The Group has given certain land portions on operating lease. Most of the leases are renewable for further period on mutually agreeable terms.

Some of the subsidiaries companies have entered into an agreement with Food Corporation of India (FCI) to design, develop, construct, operate and maintain project facilities for warehousing and transportation of the food grains on Design, Built, Finance, Own and Operate (DBFOO) basis. Under the agreement, the subsidiary company is eligible for revenues based on Annual Guaranteed Tonnage irrespective of the actual usage by FCI.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 21 Revenue from Operations (Contd...)

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
For a period not later than one year	158.03	159.14
For a period later than one year and not later than five years	508.26	504.94
For a period later than five years	1,382.67	1,184.68
	<b>2,048.96</b>	<b>1,848.76</b>

The Group has recognised income from operating leases of ₹ 180.99 crore (previous year ₹ 167.80 crore)

## 22 Other Income

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Interest Income on</b>		
Bank Deposits, Inter Corporate Deposits, Security Deposits etc.	693.75	1,115.71
Customer dues	19.95	20.26
Finance Lease	73.96	110.31
Gain on Extinguishment of Liability (Senior Notes)	72.53	-
Dividend income on Non-current Investments	209.51	0.35
Net Gain on Sale of Current Investments	19.41	20.71
Scrap Sales	52.74	56.40
Profit on sale of Property, Plant and Equipment (net)	8.89	60.32
Unclaimed liabilities / excess provision written back	99.12	20.85
Gain on Financial Instruments at FVTPL (net)	5.31	-
Financial Guarantee Income	8.54	6.53
Amortisation of Government Grant (refer note 17 (i))	20.61	16.34
Miscellaneous Income	215.10	124.93
	<b>1,499.42</b>	<b>1,552.71</b>

## 23 Operating Expenses

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Cargo handling / other charges to contractors (net of reimbursements)	3,344.24	2,669.09
Cost of Construction of Jetty Infrastructure	-	10.00
Customer Claims (including expected credit loss)	18.03	35.94
Railway's Service Charges	802.98	731.95
Tug and Pilotage Charges	106.57	88.95
Maintenance Dredging	32.16	15.68
Repairs to Plant & Equipment	126.26	195.30
Stores, Spares and Consumables	531.19	457.68
Cost of sub-lease land	276.87	122.98
Repairs to Buildings	38.85	21.84

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 23 Operating Expenses (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Power & Fuel	916.89	754.03
Waterfront Charges	304.34	265.86
Cost of Assets transferred under Finance Lease	5.27	8.38
Cargo Freight and Transportation Expenses	185.97	211.87
Aircraft Operating Expenses	46.90	44.10
Other expenses including Customs Establishment charges	359.45	12.56
Construction expenses under Service Concession Arrangements	20.37	8.35
	<b>7,116.34</b>	<b>5,654.56</b>

### 24 Employee Benefits Expense

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Salaries, Wages and Bonus	1,734.39	1,043.79
Contribution to Provident & Other Funds	30.44	31.89
Gratuity Expense (refer note 29)	52.76	34.26
Staff Welfare Expenses	78.81	68.23
	<b>1,896.40</b>	<b>1,178.17</b>

### 25 Finance Costs

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>a) Interest and Bank Charges</b>		
Interest on		
Debentures and Bonds	1,947.50	2,080.30
Loans, Buyer's Credit etc.	681.99	386.30
Lease Liabilities	76.60	77.82
Others	0.15	4.26
Bank and other Finance Charges	78.17	44.94
	<b>2,784.41</b>	<b>2,593.62</b>
<b>b) Gain on Derivatives / Swap Contracts (net)</b>	(51.47)	(230.98)
	<b>2,732.94</b>	<b>2,362.64</b>
<b>c) Foreign Exchange Loss (net)</b>	112.82	1,886.32
	<b>2,845.76</b>	<b>4,248.96</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 26 Other Expenses

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Rent Expenses	10.24	11.47
Rates and Taxes	19.24	12.58
Insurance	154.59	137.30
Advertisement and Publicity	101.89	40.70
Other Repairs and Maintenance	152.92	107.60
Legal and Professional Expenses	712.87	225.40
Corporate Support Service Fees	163.64	148.27
IT Support Services	26.18	23.99
Security Services Charges	85.65	82.06
Communication Expenses	56.25	49.82
Electric Power Expenses	7.34	5.54
Travelling and Conveyance	90.52	89.58
Directors' Sitting Fee	0.93	0.84
Commission to Non-executive Directors	1.02	1.00
Charity and Donations	118.62	132.89
Diminution in value of inventories	19.70	30.77
Loss on Financial Instruments at FVTPL (net)	-	2.04
Miscellaneous Expenses	112.30	83.88
	<b>1,833.90</b>	<b>1,185.73</b>

## 27 Income Tax

The major component of income tax expenses for the year ended March 31, 2024 and March 31, 2023 are as under :-

### i) Tax Expense reported in the Consolidated Statement of Profit and Loss

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>a) Profit and Loss Section</b>		
<b>Current Income Tax</b>		
Current Tax charges	1,131.58	952.20
Adjustment in respect of Tax Expense relating to earlier years	3.15	25.70
	<b>1,134.73</b>	<b>977.90</b>
<b>Deferred Tax</b>		
Relating to origination and reversal of temporary differences	289.15	1.23
Tax (credit) under Minimum Alternative Tax	110.70	(883.09)
	<b>399.85</b>	<b>(881.86)</b>
<b>Exceptional Item</b>		
Deferred Tax on Write off of past MAT credit on election of new tax regime (net) (refer note 57)	590.57	-
Current Tax on Write off of past MAT credit on election of new tax regime (net) (refer note 57)	(135.41)	-
	<b>455.16</b>	<b>-</b>
	<b>1,989.74</b>	<b>96.04</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 27 Income Tax (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>b) Other Comprehensive Income ('OCI') Section</b>		
<b>Current Income tax</b>		
Tax impact on effective portion of Loss on designated portion of cash flow hedge	(70.41)	(184.49)
	<b>(70.41)</b>	<b>(184.49)</b>
<b>Deferred tax related to items recognised in OCI during the year</b>		
Tax impact on re-measurement gain on defined benefit plans	0.16	0.33
Tax impact on net (loss)/gain on FVTOCI Equity Investments	(4.25)	0.69
	<b>(4.09)</b>	<b>1.02</b>
	<b>(74.50)</b>	<b>(183.47)</b>

#### ii) Balance Sheet Section

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Taxes recoverable (net) (refer note 8)	1,028.18	732.41
Current Tax Liabilities (net)	(33.10)	(31.34)
	<b>995.08</b>	<b>701.07</b>

**Note:** Current Tax Liabilities (net) and Taxes Recoverable (net) are presented based on a year-wise tax balances of respective entities, as the case may be.

#### iii) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Profit Before Tax</b>	10,093.73	5,486.89
Tax Rate	34.94%	34.94%
At India's Statutory Income Tax rate	3527.15	1,917.34
<b>Add /(Less) Tax effect of:-</b>		
Expenses not allowable under Tax Law	424.42	34.48
Deduction under chapter VI-A	(1,175.19)	(1,065.58)
Share of Profit of Joint Ventures	56.94	(16.70)
Income charged as per special provision of Income Tax Act, 1961	(636.56)	(587.66)
Income that is exempt from tax	(71.14)	(16.01)
Reversal of tax on Composite scheme of arrangement	-	(4.03)
Tax Adjustment in respect of previous years	(8.51)	(72.13)
Tax allowances on impairment provision	-	(171.65)
MAT Credit of previous period (recognised)/derecognised	454.76	(14.87)
Deferred tax balances due to the change in income tax rate	1.83	(28.79)
Impact of change in tax rate	(47.85)	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 27 Income Tax (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Effect due to different tax rate	-	(121.24)
Unused tax losses and tax offsets not recognised as deferred tax assets	16.12	154.45
Effect of previously unrecognised tax losses and unutilised tax credits used to reduce tax expense	14.15	(1.12)
Subsidiaries' charged at different tax rates	(663.05)	(283.12)
Tax adjustment on elimination of dividend from subsidiaries	118.37	352.96
Others	(21.70)	19.71
<b>Income Tax reported in Statement of Profit and Loss</b>	<b>1,989.74</b>	<b>96.04</b>
<b>Effective tax rate</b>	<b>19.71%</b>	<b>1.75%</b>

### Geographical Tax Expenses

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
India	1,960.82	64.45
Australia	22.02	18.02
Bangladesh	0.08	(0.10)
Sri Lanka	-*	12.85
Israel	6.82	0.82

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

### iv) Deferred Tax Liability (net)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(Liability) on Accelerated depreciation for tax purpose	(4,061.97)	(4,162.15)	100.18	(140.73)
Assets on Provision for Employee Benefits	20.56	25.57	(5.01)	80.88
Assets on unrealised intra-group profit	223.06	220.89	2.17	(7.36)
(Liability) on fair valuation gain on account of dilution of stake in Subsidiary	(109.31)	(109.31)	-	-
Assets on account of unabsorbed losses/depreciation	765.29	1,155.33	(390.04)	(505.79)
(Liability) on finance lease receivables	(585.26)	(403.58)	(181.68)	(149.80)
(Liability) on Preference Share debt component	(25.76)	(29.72)	3.96	3.62
(Liability)/Assets on fair valuation of Corporate and Bank Guarantee	(0.15)	3.74	(3.89)	0.80

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 27 Income Tax (Contd...)

₹ In crore

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(Liability) on Deemed Investments	(14.04)	(13.10)	(0.94)	(1.62)
(Liability) on Business Combination adjustment (refer note 39(i))	(2,345.40)	(2,447.03)	124.63	162.83
(Liability) on SCA receivables/ Intangible assets	(38.02)	(42.64)	4.62	(6.16)
(Liability) on Equity investment at FVTOCI	(34.62)	(38.87)	4.25	(0.69)
Asset on upfront infrastructure income	103.19	82.41	20.78	23.26
Assets on transaction cost of Composite scheme of arrangement	8.05	15.57	(7.52)	15.57
Forex impact on conversion of foreign operations	-	-	(0.31)	0.65
Assets on Provision for impairment	-	542.26	(542.26)	542.26
MAT Credit entitlement	3,756.06	3,884.26	(110.70)	883.09
Assets on other adjustments	87.12	91.69	(4.57)	(19.97)
	<b>(2,251.20)</b>	<b>(1,224.68)</b>	<b>(986.33)</b>	<b>880.84</b>

#### v) Deferred Tax reflected in the Balance Sheet as follows

₹ In crore

Particulars	March 31, 2024	March 31, 2023
Deferred Tax Assets (net)	1,918.67	2,199.90
Deferred Tax Liabilities (net)	(4,169.87)	(3,424.58)
	<b>(2,251.20)</b>	<b>(1,224.68)</b>

#### Component of Deferred Tax Assets / (Liabilities)

₹ In crore

Particulars	March 31, 2024	March 31, 2023
Tax Credit Entitlement under MAT	3,756.06	3,884.26
Less :Deferred tax liabilities (net)	(6,007.26)	(5,108.94)
	<b>(2,251.20)</b>	<b>(1,224.68)</b>

MAT credit of ₹ 499.91 crore (previous year ₹ 640.10 crore) has been recognised during the year.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 27 Income Tax (Contd...)

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

Financial Year	Amount (₹ in crore)	Expiry Year
2012-13	9.65	2027-28
2013-14	9.16	2028-29
2014-15	376.76	2029-30
2015-16	733.64	2030-31
2016-17	459.02	2031-32
2017-18	151.33	2032-33
2018-19	200.16	2033-34
2019-20	222.91	2034-35
2020-21	289.11	2035-36
2021-22	388.53	2036-37
2022-23	416.83	2037-38
2023-24	498.96	2038-39
<b>Total</b>	<b>3,756.06</b>	

- vii) Certain subsidiary companies have carried forward unabsorbed depreciation aggregating ₹ 2,596.07 crore (Previous year ₹ 1,679.53 crore) under the Income Tax Act,1961 for which there is no expiry date of its tax credit utilisation by the respective entities. Further certain subsidiary companies have carried forward losses aggregating ₹ 3,245.99 crore (previous year ₹ 1,928.69 crore) under the Income Tax Act, 1961, which gets expired within 8 years of the respective year.

The carried forward losses will get expired mainly during the years as follows:

Financial Year	Amount (₹ in crore)	Expiry Year
2016-17	161.25	2024-25
2017-18	223.85	2025-26
2018-19	417.68	2026-27
2019-20	309.31	2027-28
2020-21	441.65	2028-29
2021-22	221.39	2029-30
2022-23	1,457.56	2030-31
2023-24	13.30	2031-32
<b>Total</b>	<b>3,245.99</b>	

Deferred tax assets have not been recognised in respect of these unabsorbed losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

- viii) Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that earnings of the subsidiary will not be distributed in the foreseeable future and the company controls the timing of reversal of this temporary differences.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 28 Earnings Per Share (EPS)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Profit for the year attributable to Equity holders of the parent	8,110.64	5,308.85
Less : Dividend on Non-Cumulative Redeemable Preference Shares	.*	.*
<b>Net profit for calculation of basic and diluted EPS</b>	<b>8,110.64</b>	<b>5,308.85</b>

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

Particulars	₹ In crore	
	March 31, 2024 No. of Shares	March 31, 2023 No. of Shares
Weighted average number of equity shares in calculating basic and diluted EPS (refer note 58)	2,16,01,38,945	2,16,01,38,945
<b>Basic and Diluted Earnings per Share (in ₹)</b>	<b>37.55</b>	<b>24.58</b>

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

- a) The Group has recognised, in the Consolidated Statement of Profit and Loss for the current year, an amount of ₹ 30.28 crore (Previous Year ₹ 28.49 crore) as expenses under the following defined contribution plan.

Contribution to	₹ In crore	
	March 31, 2024	March 31, 2023
Provident Fund	30.17	28.32
Superannuation Fund	0.11	0.17
<b>Total</b>	<b>30.28</b>	<b>28.49</b>

- b) The Group has a defined gratuity plan. Under the plan every employee who has completed at least five years of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Companies in form of a qualifying insurance policy for future payment of gratuity to the employees.

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

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

### Gratuity and Other Employee Benefits

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Present value of the defined benefit obligation at the beginning of the year	1,349.49	84.02
Current service cost	35.06	17.82
Interest cost	70.29	21.91
Actuarial (gain) / loss arising from and including OCI:		
- change in demographic assumptions	1.26	(0.83)
- change in financial assumptions	8.59	(24.85)
- experience variance	(8.49)	12.22

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 29 Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Benefits paid	(205.77)	(57.06)
Foreign Exchange Difference	(6.94)	(21.73)
Liability Transfer In- Business acquisition adjustment	2.44	1,323.31
Liability Transfer In/(out)	2.13	(5.32)
<b>Present value of the defined benefit obligation at the end of the year</b>	<b>1,248.06</b>	<b>1,349.49</b>

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	1,100.28	57.19
Investment income	51.84	4.85
Contributions by employer	0.47	0.59
Benefits paid	(194.03)	(31.27)
Return on plan assets , excluding amount recognised in net interest expense	11.75	(0.01)
Foreign Exchange Difference	(6.06)	(17.88)
Assets Transferred Out	(0.15)	(1.31)
Acquisition Adjustment	1.80	1,088.12
<b>Fair value of plan assets at the end of the year</b>	<b>965.90</b>	<b>1,100.28</b>

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

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Present value of the defined benefit obligation at the end of the year	1,248.06	1,349.49
Fair value of plan assets at the end of the year	965.90	1,100.28
<b>Amount recognised in the balance sheet</b>	<b>(282.16)</b>	<b>(249.21)</b>
Net asset - Current (Refer note 7)	91.63	85.95
Net asset - Non-current (Refer note 7)	809.34	955.61
Net liability - Current (Refer note 20)	(93.03)	(85.43)
Net liability - Non-current (Refer note 20)	(1,090.10)	(1,205.34)

### iv) Expense recognised in the statement of profit and loss for the year

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Current service cost	35.06	17.82
Interest cost on benefit obligation	18.45	17.06
Amount capitalised	(0.75)	(0.62)
<b>Total expense included in employee benefits expense</b>	<b>52.76</b>	<b>34.26</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 29 Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

### v) Recognised in the other comprehensive income

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
<b>Actuarial (gain)/losses arising from</b>		
- change in demographic assumptions	1.26	(0.83)
- change in financial assumptions	8.59	(24.85)
- experience variance	(8.49)	12.22
Amount capitalised	(0.08)	0.09
Return on plan assets, excluding amount recognised in net interest expense	(11.75)	0.01
<b>Recognised in other comprehensive income</b>	<b>(10.47)</b>	<b>(13.36)</b>

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

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.50%
Rate of escalation in salary (per annum)	8.00%	8.50%
Mortality	India Assured Lives Mortality (2012-14)	India Assured Lives Mortality (2012-14)
Attrition rate	8.49%	11.00%

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

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

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

Particulars	March 31, 2024	March 31, 2023
Investments with insurer	100%	100%

As the gratuity fund is managed by life insurance companies, details of fund invested by insurer are not available with the Group.

### viii) Sensitivity Analysis Method

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

#### Quantitative sensitivity analysis for significant assumption is as below

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

Particulars	March 31, 2024		March 31, 2023	
	Discount rate		Discount rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	₹ In crore	₹ In crore	₹ In crore	₹ In crore
	(40.48)	86.41	(70.36)	76.46

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 29 Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

Particulars	March 31, 2024		March 31, 2023	
	Salary Growth rate		Salary Growth rate	
Assumptions	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Sensitivity level	₹ In crore	₹ In crore	₹ In crore	₹ In crore
Impact on defined benefit obligations	35.96	(19.04)	19.45	(17.90)

Particulars	March 31, 2024		March 31, 2023	
	Attrition rate		Attrition rate	
Assumptions	50% Increase	50% Decrease	50% Increase	50% Decrease
Sensitivity level	₹ In crore	₹ In crore	₹ In crore	₹ In crore
Impact on defined benefit obligations	(2.74)	3.30	(4.97)	5.56

Particulars	March 31, 2024		March 31, 2023	
	Mortality rate		Mortality rate	
Assumptions	10% Increase	10% Decrease	10% Increase	10% Decrease
Sensitivity level	₹ In crore	₹ In crore	₹ In crore	₹ In crore
Impact on defined benefit obligations	(0.01)	0.01	(0.01)	0.01

### ix) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2024	March 31, 2023
Weighted average duration (based on discounted cash flows)	7 years	6 years

### x) The Following payments are expected contributions to the defined benefit plan in future years:

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Within the next 12 months (next annual reporting period)	219.98	195.77
Between 2 and 5 years	501.03	623.66
Between 6 and 10 years	510.24	538.07
Beyond 10 years	860.88	952.98
<b>Total Expected Payments</b>	<b>2,092.13</b>	<b>2,310.48</b>

The Group expects to contribute ₹ 206.30 crore to gratuity fund in the financial year 2024-25. (previous year ₹ 207.79 crore)

### xi) Asset - Liability Matching Strategies

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

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 30 Segment Information

### Operating Segments:

The identified reportable Segments are (i) Port and SEZ activities which includes developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure at contiguous Special Economic Zone and (ii) others in terms of Ind-AS 108 "Operating Segments" as notified under section 133 of the Companies Act 2013. Other Segment mainly includes Aircraft Operating Income, Warehousing and transportation of food grains, Container Trains Services on specific Railway Routes and Multi-model Cargo storage cum logistics services through development of Inland Container Depots at various strategic locations in terms of concession agreement from Ministry of Railways.

### Identification of Segments:

The chief operating decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

### Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

### Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, other intangible assets, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

### Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

### Summary of segment information is given below:

₹ In crore				
Particulars	Port and SEZ activities	Others	Eliminations	Total
<b>Revenue</b>				
External Sales	<b>24,241.98</b>	<b>2,468.58</b>		<b>26,710.56</b>
	18,976.41	1,875.50		20,851.91
Inter-Segment Sales	<b>34.04</b>	<b>172.23</b>	<b>(206.27)</b>	<b>-</b>
	40.10	139.13	(179.23)	-
<b>Total Revenue</b>	<b>24,276.02</b>	<b>2,640.81</b>	<b>(206.27)</b>	<b>26,710.56</b>
	19,016.51	2,014.63	(179.23)	20,851.91
<b>Results</b>				
Segment Results	<b>12,134.53</b>	<b>93.43</b>		<b>12,227.96</b>
	10,115.98	158.86		10,274.84
Unallocated Corporate Income (Net of expenses)				<b>112.22</b>
				(2,398.21)
<b>Operating Profit</b>	<b>12,134.53</b>	<b>93.43</b>		<b>12,340.18</b>
	10,115.98	158.86		7,876.63

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 30 Segment Information (Contd...)

₹ In crore

Particulars	Port and SEZ activities	Others	Eliminations	Total
Less: Finance Expense (Excluding Forex)				<b>2,732.94</b>
				<i>2,362.64</i>
Add: Interest Income				<b>860.19</b>
				<i>1,246.28</i>
Profit before exceptional items and tax				<b>10,467.43</b>
				<i>6,760.27</i>
Exceptional items				<b>(373.70)</b>
				<i>(1,273.38)</i>
Profit before tax				<b>10,093.73</b>
				<i>5,486.89</i>
Tax Expense				<b>1,989.74</b>
				<i>96.04</i>
<b>Profit after tax</b>				<b>8,103.99</b>
				<i>5,390.85</i>
Less: Non-controlling Interest				<b>(6.65)</b>
				<i>82.00</i>
<b>Net profit</b>				<b>8,110.64</b>
				<i>5,308.85</i>
<b>Other Information</b>				
Segment Assets	<b>83,611.26</b>	<b>17,246.57</b>		<b>1,00,857.83</b>
	<i>77,790.13</i>	<i>13,112.57</i>		<i>90,902.70</i>
Unallocated Corporate Assets				<b>17,873.29</b>
				<i>21,919.13</i>
Assets Held for sale				<b>186.75</b>
				<i>1,941.26</i>
<b>Total Assets</b>				<b>1,18,917.87</b>
				<i>1,14,763.09</i>
Segment Liabilities	<b>11,803.43</b>	<b>1,335.82</b>		<b>13,139.25</b>
	<i>9,910.54</i>	<i>1,346.05</i>		<i>11,256.59</i>
Unallocated Corporate Liabilities				<b>51,188.07</b>
				<i>55,068.06</i>
Liabilities associated with Assets Held for Sale				<b>47.55</b>
				<i>1,521.46</i>
<b>Total liabilities</b>				<b>64,374.87</b>
				<i>67,846.11</i>
Capital Expenditure during the year	<b>6,068.84</b>	<b>1,347.46</b>		<b>7,416.30</b>
	<i>7,795.72</i>	<i>1,345.32</i>		<i>9,141.04</i>
Segment Depreciation and amortisation	<b>3,488.78</b>	<b>399.68</b>		<b>3,888.46</b>
	<i>3,111.82</i>	<i>312.89</i>		<i>3,424.71</i>
Major Non-Cash Expenses other than Depreciation and amortisation (net)	<b>391.50</b>	-		<b>391.50</b>
	<i>1,253.93</i>	-		<i>1,253.93</i>
Unallocated Major Non-Cash Expenses other than Depreciation and amortisation (net)				<b>328.79</b>
				<i>2,527.76</i>
Impairment loss recognised in Profit or loss	-	-		-
	<i>1,273.38</i>	-		<i>1,273.38</i>

Previous year figures are in italics

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 30 Segment Information (Contd...)

Additional information regarding the Company's geographical segments:

₹ In crore

Sr No	Particulars	Revenue from External Customers		Non Current Assets	
		For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
1	India	23,544.06	19,537.40	85,168.61	78,842.12
2	Outside India	3,166.50	1,314.51	5,980.66	4,293.28

There is no transaction with single external customer which amounts to 10% or more of the Group's revenue.

## 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/ Step down subsidiary companies as at year end is as follows:

Sr No	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2024	Proportion of Ownership Interest (%) March 31, 2023
1	Adani Logistics Limited	India	100	100
2	Karnavati Aviation Private Limited	India	100	100
3	Mundra SEZ Textile and Apparel Park Private Limited	India	55.28	55.28
4	Adani Murmugao Port Terminal Private Limited	India	100	100
5	Mundra International Airport Limited (Formerly known as Mundra International Airport Private Limited)	India	100	100
6	Adani Hazira Port Limited	India	100	100
7	Adani Petronet (Dahej) Port Limited*	India	74	74
8	Hazira Infrastructure Limited	India	100	100
9	Madurai Infrastructure Limited (Formerly known as Madurai Infrastructure Private Limited)	India	100	100
10	Adani Vizag Coal Terminal Private Limited	India	100	100
11	Adani Kandla Bulk Terminal Private Limited (refer note (a) below)	India	100	100
12	Adani Warehousing Services Limited (Formerly known as Adani Warehousing Services Private Limited)	India	100	100
13	Adani Ennore Container Terminal Private Limited (refer note 60)	India	100	100
14	Adani Hospitals Mundra Limited (Formerly known as Adani Hospitals Mundra Private Limited)	India	100	100
15	The Dhamra Port Company Limited	India	100	100
16	Shanti Sagar International Dredging Limited	India	100	100
17	Abbot Point Operations Pty Limited	Australia	100	100
18	Adani Vizhinjam Port Private Limited	India	100	100
19	Adani Kattupalli Port Limited	India	100	100
20	Abbot Point Bulkcoal Pty Limited	Australia	100	100

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/ Step down subsidiary companies as at year end is as follows: (Contd...)

Sr No	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%)	Proportion of Ownership Interest (%)
			March 31, 2024	March 31, 2023
21	Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Limited)	India	100	100
22	Dholera Infrastructure Private Limited (refer note 2.4)	India	49	49
23	Dholera Port and Special Economic Zone Limited (refer note 2.4)	India	49	49
24	Adinath Polyfills Private Limited	India	100	100
25	Adani Ports Technologies Private Limited	India	100	100
26	Coastal International Terminals Pte Limited (refer note 55) (Upto May 31, 2023)	Singapore	-	100
27	Blue Star Realtors Limited	India	100	100
28	Mundra Crude Oil Terminal Limited (Formerly known as Mundra Crude Oil Terminal Private Limited)	India	100	100
29	Marine Infrastructure Developer Private Limited	India	97	97
30	Anchor Port Holding Pte. Limited	Singapore	100	100
31	Pearl Port Pte. Limited	Singapore	100	100
32	Noble Port Pte. Limited	Singapore	100	100
33	Adani Yangon International Terminal Company Limited (refer note 55) (Upto May 31, 2023)	Myanmar	-	100
34	Dermot Infracon Limited (Formerly known as Dermot Infracon Private Limited)	India	100	100
35	Adani Agri Logistics Limited	India	100	100
36	Adani Agri Logistics (MP) Limited	India	100	100
37	Adani Agri Logistics (Harda) Limited	India	100	100
38	Adani Agri Logistics (Hoshangabad) Limited	India	100	100
39	Adani Agri Logistics (Satna) Limited	India	100	100
40	Adani Agri Logistics (Ujjain) Limited	India	100	100
41	Adani Agri Logistics (Dewas) Limited	India	100	100
42	Adani Agri Logistics (Katihar) Limited	India	100	100
43	Adani Agri Logistics (Kotkapura) Limited	India	100	100
44	Adani Agri Logistics (Kannauj) Limited	India	100	100
45	Adani Agri Logistics (Panipat) Limited	India	100	100
46	Adani Agri Logistics (Raman) Limited	India	100	100
47	Adani Agri Logistics (Nakodar) Limited	India	100	100
48	Adani Agri Logistics (Barnala) Limited	India	100	100
49	Adani Bulk Terminals (Mundra) Limited	India	100	100
50	Adani Agri Logistics (Mansa) Limited	India	100	100
51	Adani Agri Logistics (Moga) Limited	India	100	100
52	Adani Warehousing Limited	India	100	100
53	Adani Agri Logistics (Dahod) Limited	India	100	100
54	Adani Agri Logistics (Dhamora) Limited	India	100	100

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/ Step down subsidiary companies as at year end is as follows: (Contd...)

Sr No	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2024	Proportion of Ownership Interest (%) March 31, 2023
55	Adani Agri Logistics (Samastipur) Limited	India	100	100
56	Adani Agri Logistics (Darbhanga) Limited	India	100	100
57	Dhamra Infrastructure Limited (Formerly known as Dhamra Infrastructure Private Limited)	India	100	100
58	Adani Logistics Services Limited (Formerly known as Adani Logistics Services Private Limited)	India	98.40	98.40
59	Adani Noble Limited (Formerly known as Adani Noble Private Limited)	India	98.40	98.40
60	Adani Forwarding Agent Limited (Formerly known as Adani Forwarding Agent Private Limited)	India	100	100
61	Adani Container Manufacturing Limited	India	100	100
62	Adani Logistics Infrastructure Limited (Formerly known as Adani Logistics Infrastructure Private Limited)	India	98.40	98.40
63	Adani Container Terminal Limited	India	100	100
64	Adani Bangladesh Ports Private Limited	Bangladesh	100	100
65	Adani Krishnapatnam Port Limited	India	100	100
66	Adani Krishnapatnam Container Terminal Private Limited**	India	-	100
67	Dighi Port Limited	India	100	100
68	Aqua Desilting Private Limited	India	100	100
69	Shankheshwar Buildwell Limited (Formerly known as Shankheshwar Buildwell Private Limited)	India	100	100
70	Sulochana Pedestal Limited (Formerly known as Sulochana Pedestal Private Limited)	India	100	100
71	NRC Limited	India	100	100
72	Adani International Ports Holdings Pte Limited	Singapore	100	100
73	AYN Logistics Infra Private Limited	India	100	100
74	Adani Gangavaram Port Limited (refer note 58)	India	100	100
75	Adani Tracks Management Services Limited (Formerly known as Adani Tracks Management Services Private Limited)	India	100	100
76	Seabird Distriparks (Krishnapatnam) Limited (Formerly known as Seabird Distriparks (Krishnapatnam) Private Limited)	India	100	100
77	HDC Bulk Terminal Limited	India	100	100
78	Mundra Solar Technopark Private Limited (refer note 2.4)	India	49	49
79	Colombo West International Terminal (Private) Limited	Sri Lanka	51	51
80	Savi Jana Sea Foods Private Limited (acquired on May 10, 2022)	India	100	100

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/ Step down subsidiary companies as at year end is as follows: (Contd...)

Sr No	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2024	Proportion of Ownership Interest (%) March 31, 2023
81	Ocean Sparkle Limited (acquired on May 10, 2022)	India	98.52	98.52
82	Sparkle Terminal and Towage Services Limited (acquired on May 10, 2022)	India	98.52	98.52
83	Sea Sparkle Harbour Services Limited (acquired on May 10, 2022)	India	98.52	98.52
84	Sparkle Port Services Limited (acquired on May 10, 2022)	India	98.52	98.52
85	Sparkle Overseas Pte. Limited (acquired on May 10, 2022)	Singapore	98.52	98.52
86	Saptati Build Estate Limited (Formerly known as Saptati Build Estate Private Limited) (acquired on May 04, 2022)	India	100	100
87	Adani Aviation Fuels Limited (incorporated on September 29, 2022)	India	100	100
88	Mundra LPG Terminal Private Limited (w.e.f. April 30, 2022) (refer note 2.4)	India	48.97	48.97
89	Gangavaram Port Services (India) Limited (Formerly known as Gangavaram Port Services (India) Private Limited)	India	100	100
90	Tajpur Sagar Port Limited (incorporated on October 21, 2022)	India	100	100
91	Mediterranean International Ports A.D.G.D. Limited (incorporated on November 13, 2022)	Israel	70	70
92	Adani Agri Logistics (Sandila) Limited (incorporated on November 18, 2022)	India	100	100
93	Adani Agri Logistics (Gonda) Limited (incorporated on November 22, 2022)	India	100	100
94	Adani Agri Logistics (Chandari) Limited (incorporated on November 21, 2022)	India	100	100
95	Adani Agri Logistics Katihar Two Limited (incorporated on November 21, 2022)	India	100	100
96	The Adani Harbour International DMCC (incorporated on December 22, 2022)	United Arab Emirates	100	100
97	Haifa Port Company Limited (acquired on January 10, 2023) (refer note 39(i)(2))	Israel	70	70
98	Port Harbour Services International Pte. Limited (incorporated on February 01, 2023)	Singapore	100	100
99	HM Agri Logistics Limited (incorporated on February 28, 2023)	India	100	100

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/ Step down subsidiary companies as at year end is as follows: (Contd...)

Sr No	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2024	Proportion of Ownership Interest (%) March 31, 2023
100	PU Agri Logistics Limited (incorporated on February 25, 2023)	India	100	100
101	BU Agri Logistics Limited (incorporated on March 11, 2023)	India	100	100
102	Karaikal Port Private Limited (w.e.f. April 04, 2023) (refer note 39(i)(1))	India	100	Refer Note 39(i)(1)
103	Griptronics Enterprises Private Limited (acquired on September 01, 2023) (refer note 39(ii))	India	100	N.A.
104	Nabhganga Enterprises Private Limited (acquired on August 24, 2023)(refer note 39(ii))	India	100	N.A.
105	Agratas Projects Private Limited (acquired on September 02, 2023)(refer note 39(ii))	India	100	N.A.
106	Adrita Realtors Private Limited (acquired on September 01, 2023)(refer note 39(ii))	India	100	N.A.
107	Dependencia Infrastructure Private Limited (acquired on September 14, 2023)(refer note 39(ii))	India	100	N.A.
108	East Africa Gateway Limited (incorporated on October 03, 2023) (refer note 2.4)	United Arab Emirates	30	N.A.
109	Udanvat Leasing IFSC Limited (incorporated on October 23, 2023)	India	100	N.A.
110	Mandhata Build Estate Private Limited (acquired on December 01, 2023)(refer note 39(ii))	India	100	N.A.
111	Poseidon Leasing IFSC Limited (incorporated on February 08, 2024)	India	100	N.A.

### Adani Ports and Special Economic Zone Limited's share in the voting power in joint venture entities as at year end is as follows:

Sr No	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2024	Proportion of Ownership Interest (%) March 31, 2023
1	Adani International Container Terminal Private Limited	India	50	50
2	Adani CMA Mundra Terminal Private Limited	India	50	50
3	Adani NYK Auto Logistics Solutions Private Limited	India	51	51
4	Adani Total Private Limited	India	50	50
5	Dhamra LNG Terminal Private Limited	India	50	50
6	Dighi Roha Rail Limited	India	50	50
7	Adani KP Agriwarehousing Private Limited (refer note 2.4)	India	74	74

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 31 Adani Ports and Special Economic Zone Limited's share in the voting power in joint venture entities as at year end is as follows: (Contd...)

Sr No	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2024	Proportion of Ownership Interest (%) March 31, 2023
8	EZR Technologies Private Limited	India	51	51
9	Khimji Sparkle Marine Services Co. SOAC (w.e.f May 10, 2022)	Oman	48.27	48.27
10	Indianoil Adani Ventures Limited (w.e.f. February 01, 2023)	India	49.99	49.38
11	IAV Utkarsh Limited (Formerly known as IOT Utkarsh Limited) (w.e.f. February 01, 2023)	India	49.99	49.38
12	IAV Engineering Projects Limited (w.e.f. February 01, 2023)	India	49.99	49.38
13	IAV Engineering & Construction Services Limited (w.e.f. February 01, 2023)	India	49.99	49.38
14	IAV Infrastructures Private Limited (Formerly known as IOT Infrastructures Private Limited) (w.e.f. February 01, 2023)	India	49.99	49.38
15	IAV Biogas Private Limited (Formerly known as IOT Biogas Private Limited) (w.e.f. February 01, 2023)	India	49.99	49.38
16	Kazakhstan Caspishelf India Private Limited (w.e.f. February 01, 2023)	India	49.99	49.38
17	IOT Utkal Energy Services Limited (w.e.f. February 01, 2023)	India	45.78	45.34
18	Zuari IAV Private Limited (Formerly known as Zuari Indian Oiltanking Private Limited) (w.e.f. February 01, 2023)	India	25	24.69
19	KN IAV Private Limited (Formerly known as Katoen Natie IOT Private Limited) (w.e.f. February 01, 2023)	India	24.50	24.20
20	IOT Vito Muhendislik Insaat ve Taahhut AS (w.e.f. February 01, 2023)	Turkey	34.99	34.57
21	Indian Oiltanking Engineering and Construction Services LLC (w.e.f. February 01, 2023)	Oman	34.99	34.57
22	PT IOT EPC Indonesia (Upto November 15, 2023)	Indonesia	-	32.92
23	JSC Kazakhstan Caspishelf (w.e.f. February 01, 2023)	Kazakhstan	28.33	27.98
24	IAV Urja Services Limited (w.e.f. December 12, 2023)	India	49.99	N.A.
25	Veracity Supply Chain Private Limited (w.e.f. October 31, 2023)	India	50	N.A.
26	Harbour Services Lanka (Private) Limited (w.e.f. November 21, 2023)	Sri Lanka	50	N.A.

\*The Company has power over the entity and ability to affect its return and hence considered it as subsidiary.

\*\*The Regional Director, North Western Region, through its order dated July 24, 2023, have approved the Scheme of Arrangement between Adani Krishnapatnam Container Terminal Private Limited ("AKCTPL") and Adani Krishnapatnam Port Limited ("AKPL") and their respective shareholders and creditors (the 'Scheme') under section 233 of the companies act, 2013. Pursuant to the scheme AKCTPL got merged with the AKPL w.e.f April 1, 2022.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/ Step down subsidiary companies as at year end is as follows: (Contd...)

**Note a):** During the year 2016-17, the Company had accounted for purchase of 3,12,13,000 numbers of equity shares of Adani Kandla Bulk Terminal Private Limited at consideration of ₹ 31.21 crore. The equity shares have been purchased from the Adani Enterprises Limited, a group company whereby this entity has become a wholly owned subsidiary. As per the management, the transfer has been recorded based on Irrevocable Letter of Affirmation dated March 31, 2017 from the seller and acceptance by the Company although legal transfer of equity share of Adani Kandla Bulk Terminal Private Limited is still in process at year end.

## 32 Related Party Disclosures

### Related parties with whom transactions have taken place.

<b>Joint Venture Entities</b>	Adani International Container Terminal Private Limited
	Adani CMA Mundra Terminal Private Limited
	Adani NYK Auto Logistics Solutions Private Limited
	Adani Total Private Limited
	Dhamra LNG Terminal Private Limited
	Harbour Services Lanka (Private) Limited
	Dighi Roha Rail Limited
	Khimji Sparkle Marine Services Co. SOAC
	Indianoil Adani Ventures Limited
	Adani KP Agriwarehousing Private Limited
<b>Key Management Personnel and their relatives</b>	Mr. Gautam S. Adani - Chairman (Chairman and Managing Director upto January 03, 2024)
	Mr. Rajesh S. Adani - Director
	Mr. Karan G. Adani - Wholetime Director and CEO (upto January 03, 2024), Managing Director (w.e.f January 04, 2024)
	Dr. Malay Mahadevia - Director (upto January 03, 2024)
	Prof. G. Raghuram - Independent Non-Executive Director
	Mr. Gopal Krishna Pillai - Independent Non-Executive Director
	Mrs. Nirupama Rao - Independent Non-Executive Director
	Mr. Bharat Sheth - Independent Non-Executive Director
	Mr. Palamadai Sundararajan Jayakumar - Independent Non-Executive Director
	Mr. Rajkumar Beniwal - Non- Executive Director
	Mr. Ashwini Gupta - Whole time Director & CEO (w.e.f January 4, 2024 as CEO and w.e.f January 5, 2024 as wholetime Director)
	Mrs. Avantika Singh Aulakh, IAS - Nominee Director (upto September 20, 2022)
	Mrs. Bhanumathi Viswanathan Melattur - Non-Executive Director (w.e.f. February 28, 2024)
	Mr. D. Muthukumar - Chief Financial Officer (w.e.f July 19, 2022)
	Mr. Ranjith Sinh Barad, IAS - Nominee Director (w.e.f December 21, 2022 & upto June 22, 2023)
	Mr. Kamlesh Bhagia - Company Secretary

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

<b>Entities over which Key Management Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting power</b>	ACC Limited
	Adani Agri Fresh Limited
	Adani Airport Holdings Limited
	Adani Australia Pty Limited
	Adani Brahma Synergy Private Limited
	Adani Bunkering Private Limited
	Adani Capital Private Limited
	Adani Cement Industries Limited
	Adani Cementation Limited
	Adani Defence Systems And Technologies Limited
	Adani Dhamra LPG Terminal Private Limited
	Adani Digital Labs Private Limited
	Adani Electricity Mumbai Limited
	Adani Enterprises Limited
	Adani Estate Management Private Limited
	Adani Estates Private Limited
	Adani Foundation
	Adani Global FZE, Dubai.
	Adani Global Pte. Limited
	Adani Green Energy Limited
	Adani Green Energy Six Limited
	Adani Green Energy Twenty Four B Limited
	Adani Green Energy Twenty Six Limited
	Adani Infra (India) Limited
	Adani Infrastructure Management Services Limited
	Adani Institute for Education and Research
	Adani Mining Pty Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Adani New Industries Limited (Formerly known as Mundra WindTech Limited)
	Adani Petrochemicals Limited
	Adani Power (Jharkhand) Limited
	Adani Power (Mundra) Limited (Upto March 06, 2023)
	Adani Power Dahej Limited
	Adani Power Limited
	Adani Power Maharashtra Limited (Upto March 06, 2023)
	Adani Power Rajasthan Limited (Upto March 06, 2023)
	Adani Properties Private Limited
	Adani Renewable Energy (KA) Limited
	Adani Renewable Energy Forty One Limited
	Adani Road Transport Limited
Adani Skill Development Centre	
Adani Social Development Foundation	
Adani Sportsline Private Limited	
Adani Total Energies Biomass Limited	
Adani Total Gas Limited	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

<b>Entities over which Key Management Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting power</b>	Adani Township & Real Estate Company Private Limited
	Adani Transmission (India) Limited
	Adani Transmission Limited
	Adani University
	Adani Water Limited
	Adani Wilmar Limited
	AdaniConnex Private Limited
	AGNEL Developers LLP
	Ahmedabad International Airport Limited
	Alton Buildtech India Private Limited
	Ambuja Cements Limited
	Ambuja Shipping Services Limited
	AMG Media Networks Limited
	Astraeus Services IFSC Limited
	Belvedere Golf and Country Club Private Limited
	Bowen Rail Company Pty Limited
	Delhi Golf Link Properties Private Limited
	Esteem Constructions Private Limited
	Gare Palma II Collieries Private Limited
	Gare Pelma III Collieries Limited
	Gujarat Adani Institute of Medical Science
	Guwahati International Airport Limited
	Jaipur International Airport Limited
	Jash Energy Private Limited
	Kalinga Alumina Limited
	Ktv Health Food Private Limited
	Kurmitar Iron Ore Mining Private Limited
	Kutch Copper Limited
	Kutch Copper Tubes Limited
	Lucknow International Airport Limited
	Mahan Energen Limited
	Mahanadi Mines and Minerals Private Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	Mangaluru International Airport Limited
MP Natural Resources Private Limited	
MPSEZ Utilities Limited	
Mumbai International Airport Limited	
Mundra Petrochem Limited	
Mundra Solar Energy Limited	
Mundra Solar Limited	
Mundra Solar PV Limited	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting power</b>	Mundra Solar Technology Limited
	North Star Diagnostics Private Limited
	Parsa Kente Collieries Limited
	Portsmouth Buildcon Private Limited
	Raigarh Energy Generation Limited (Upto March 06, 2023)
	Raipur Energen Limited (Upto March 06, 2023)
	Resurgent Fuel Management Limited
	Adani Aviation Fuel Services Limited (Formerly known as Sabarmati Infrastructure Services Limited)
	Sanghi Industries Limited
	Shantigram Township Utility Services Private Limited
	Shantigram Utility Services Private Limited
	Stratatech Mineral Resources Private Limited
	Sunanda Agri-Trade Private Limited
	Talabira (Odisha) Mining Private Limited
	TRV (Kerala) International Airport Limited
	Udupi Power Corporation Limited (Upto March 06, 2023)
	Vishakha Glass Private Limited
	Vishakha Metals Private Limited
	Vishakha Polyfab Private Limited
	Vishakha Renewables Private Limited
Vishakha Solar Films Private Limited (amalgamated with Vishakha Renewables Private Limited w.e.f April 01, 2022)	
Wardha Solar (Maharashtra) Private Limited	

### Terms and conditions of transactions with related parties

Outstanding balances of the related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note:** The names and the nature of relationships are disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

Aggregate of transactions for the year ended and balances thereof with these parties have been given below.

### (A) Transactions with Related Parties

₹ In crore

Sr No	Particulars	With Joint Ventures		With Other Entities #		Key Management Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>1</b>	<b>Income from Operations</b>	<b>1,089.87</b>	<b>763.34</b>	<b>2,568.86</b>	<b>2,247.80</b>	-	-
	Adani Enterprises Limited	-	-	1,391.87	1,659.36	-	-
	Adani International Container Terminal Private Limited	705.07	520.60	-	-	-	-
	Adani Power Limited	-	-	749.54	10.60	-	-
	Others	384.80	242.74	427.45	577.84	-	-
<b>2</b>	<b>Sale Of Non Financial Assets</b>	-	-	-	<b>6.46</b>	-	-
	Adani Cement Industries Limited	-	-	-	6.46	-	-
<b>3</b>	<b>Lease including Infrastructure Usage Income/ Upfront Premium (Includes Reversal)</b>	<b>20.33</b>	<b>31.76</b>	<b>310.38</b>	<b>221.34</b>	-	-
	Adani New Industries Limited (Formerly known as Mundra WindTech Limited)	-	-	6.49	178.70	-	-
	Mundra Solar Technology Limited	-	-	242.11	-	-	-
	Others	20.33	31.76	61.78	42.64	-	-
<b>4</b>	<b>Refund Of Upfront Premium Received On Land And Infrastructure Usage</b>	-	-	<b>93.12</b>	-	-	-
	Mundra Solar Limited	-	-	93.12	-	-	-
<b>5</b>	<b>Interest Income on loans/ deposits/deferred accounts receivable</b>	<b>14.13</b>	<b>30.38</b>	<b>43.58</b>	<b>20.26</b>	-	-
	Adani CMA Mundra Terminal Private Limited	13.51	13.60	-	-	-	-
	Adani International Container Terminal Private Limited	-	16.06	-	-	-	-
	Adani Power (Mundra) Limited	-	-	-	20.25	-	-
	Adani Enterprises Limited	-	-	43.57	-	-	-
	Others	0.62	0.72	0.01	0.01	-	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Joint Ventures		With Other Entities #		Key Management Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>6</b>	<b>Purchase of Goods, Spares and consumables, Power &amp; Fuel</b>	<b>0.60</b>	<b>0.05</b>	<b>698.58</b>	<b>250.42</b>	-	-
	Adani Green Energy Limited	-	-	511.00	-	-	-
	Adani Bunkering Private Limited	-	-	52.72	49.86	-	-
	Adani Global Pte. Limited	-	-	27.95	109.96	-	-
	MPSEZ Utilities Limited	-	-	89.95	81.25	-	-
	Others	0.60	0.05	16.96	9.35	-	-
<b>7</b>	<b>Recovery of expenses (Reimbursement)</b>	<b>4.55</b>	<b>20.63</b>	<b>0.29</b>	-	-	-
	Adani CMA Mundra Terminal Private Limited	1.51	4.60	-	-	-	-
	Adani International Container Terminal Private Limited	3.04	16.01	-	-	-	-
	Others	-	0.02	0.29	-	-	-
<b>8</b>	<b>Services Availed (including reimbursement of expenses)</b>	<b>21.19</b>	-	<b>436.97</b>	<b>316.07</b>	-	-
	Adani Enterprises Limited	-	-	178.74	152.34	-	-
	Adani Green Energy Limited	-	-	99.55	-	-	-
	Adani Sportsline Private Limited	-	-	25.01	60.00	-	-
	Astraeus Services IFSC Limited	-	-	38.92	36.64	-	-
	Others	21.19	-	94.75	67.09	-	-
<b>9</b>	<b>Rent charges paid</b>	<b>3.00</b>	<b>3.00</b>	<b>12.23</b>	<b>14.22</b>	-	-
	Adani Estate Management Private Limited	-	-	2.43	4.35	-	-
	Adani KP Agriwarehousing Private Limited	3.00	3.00	-	-	-	-
	Adani Properties Private Limited	-	-	8.77	9.60	-	-
	Others	-	-	1.03	0.27	-	-
<b>10</b>	<b>Rent Income</b>	-	-	<b>0.05</b>	-	-	-
	MPSEZ Utilities Limited	-	-	0.05	-	-	-
<b>11</b>	<b>Dividend Income</b>	<b>213.84</b>	-	-	-	-	-
	Adani International Container Terminal Private Limited	209.45	-	-	-	-	-
	Others	4.39	-	-	-	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Joint Ventures		With Other Entities #		Key Management Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>12</b>	<b>Sales of Scrap and other Miscellaneous Income</b>	<b>3.90</b>	<b>4.84</b>	<b>55.97</b>	<b>52.69</b>	-	-
	Adani Enterprises Limited	-	-	27.32	18.82	-	-
	Adani Green Energy Limited	-	-	2.40	10.40	-	-
	Adani Power Limited	-	-	6.26	0.81	-	-
	Ambuja Cements Limited	-	-	6.01	-	-	-
	Others	3.90	4.84	13.98	22.66	-	-
<b>13</b>	<b>Loans Given</b>	<b>14.23</b>	<b>9.20</b>	-	-	-	-
	Adani NYK Auto Logistics Solutions Private Limited	14.23	8.88	-	-	-	-
	Others	-	0.32	-	-	-	-
<b>14</b>	<b>Loans Received Back</b>	<b>116.01</b>	<b>276.92</b>	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	99.85	-	-	-	-	-
	Adani International Container Terminal Private Limited	-	266.09	-	-	-	-
	Adani NYK Auto Logistics Solutions Private Limited	14.29	9.33	-	-	-	-
	Adani KP Agriwarehousing Private Limited	1.87	1.50	-	-	-	-
<b>15</b>	<b>Interest Expenses</b>	-	-	-	<b>0.01</b>	-	-
	Adani Properties Private Limited	-	-	-	0.01	-	-
<b>16</b>	<b>Advance / Deposit Given</b>	-	-	<b>1.51</b>	<b>6.33</b>	-	-
	Astraeus Services IFSC Limited	-	-	-	6.29	-	-
	MPSEZ Utilities Limited	-	-	1.51	0.04	-	-
<b>17</b>	<b>Advance / Deposit Received Back</b>	-	-	<b>21.08</b>	<b>4.73</b>	-	-
	Adani Properties Private Limited	-	-	20.84	-	-	-
	Adani Estate Management Private Limited	-	-	-	4.70	-	-
	Others	-	-	0.24	0.03	-	-
<b>18</b>	<b>Advance / Deposit Taken</b>	<b>0.10</b>	-	<b>7.85</b>	<b>.*</b>	-	-
	Ambuja Cements Limited	-	-	1.23	-	-	-
	Mundra Solar Energy Limited	-	-	2.27	-	-	-
	Mundra Solar Technology Limited	-	-	3.88	-	-	-
	MPSEZ Utilities Limited	-	-	-	.*	-	-
	Others	0.10	-	0.47	-	-	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Joint Ventures		With Other Entities #		Key Management Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>19</b>	<b>Investment in equity/ preference shares/ perpetual debt</b>	<b>403.93</b>	<b>3.06</b>	-	-	-	-
	Adani Total Private Limited	403.04	-	-	-	-	-
	Adani NYK Auto Logistics Solutions Private Limited	-	3.06	-	-	-	-
	Others	0.89	-	-	-	-	-
<b>20</b>	<b>Redemption of Non Convertible Debenture</b>	-	-	-	<b>579.00</b>	-	-
	Adani Properties Private Limited	-	-	-	579.00	-	-
<b>21</b>	<b>Donation</b>	-	-	<b>98.40</b>	<b>89.81</b>	-	-
	Adani Foundation	-	-	97.31	82.05	-	-
	Others	-	-	1.09	7.76	-	-
<b>22</b>	<b>Sale of Assets</b>	-	-	<b>15.00</b>	<b>6.74</b>	-	-
	Adani Total Gas Limited	-	-	-	6.73	-	-
	Mundra Solar PV Limited	-	-	15.00	-	-	-
	Others	-	-	-	0.01	-	-
<b>23</b>	<b>Sale of Material</b>	<b>0.02</b>	<b>-*</b>	<b>0.91</b>	<b>0.23</b>	-	-
	Adani Enterprises Limited	-	-	0.90	-	-	-
	Adani Power Maharashtra Limited	-	-	-	0.15	-	-
	Adani Power Rajasthan Limited	-	-	-	0.03	-	-
	Others	0.02	-*	0.01	0.05	-	-
<b>24</b>	<b>Purchase of property/ asset/land use rights</b>	-	-	-	<b>7.15</b>	-	-
	Mundra Solar Energy Limited	-	-	-	4.39	-	-
	Mundra Solar PV Limited	-	-	-	2.76	-	-
<b>25</b>	<b>Remuneration*</b>	-	-	-	-	<b>15.31</b>	<b>11.20</b>
	<b>Short-term employee benefits**</b>						
	Mr. Gautam S. Adani	-	-	-	-	1.80	1.80
	Mr. Karan G. Adani	-	-	-	-	3.36	4.64
	Mr. D. Muthukumar	-	-	-	-	5.57	3.26
	Mr. Ashwani Gupta	-	-	-	-	2.97	-
	Others	-	-	-	-	0.52	0.47
	<b>Other long-term benefits</b>						
	Others	-	-	-	-	0.01	0.01
	<b>Post-employment benefits</b>						
	Mr. Karan G. Adani	-	-	-	-	0.54	0.75
	Mr. D. Muthukumar	-	-	-	-	0.34	0.23
	Mr. Ashwani Gupta	-	-	-	-	0.15	-
	Others	-	-	-	-	0.05	0.04

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Joint Ventures		With Other Entities #		Key Management Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>26</b>	<b>Commission to Director</b>	-	-	-	-	-	<b>2.80</b>
	Mr. Gautam S. Adani***	-	-	-	-	-	2.80
<b>27</b>	<b>Commission to Non-Executive Director</b>	-	-	-	-	<b>1.02</b>	<b>1.00</b>
	Mr. Bharat Sheth	-	-	-	-	0.20	0.20
	Mr. Gopal Krishna Pillai	-	-	-	-	0.20	0.20
	Mr. Palamadai Sundararajan Jayakumar	-	-	-	-	0.20	0.20
	Mrs. Nirupama Rao	-	-	-	-	0.20	0.20
	Prof. G. Raghuram	-	-	-	-	0.20	0.20
	Others	-	-	-	-	0.02	-
<b>28</b>	<b>Sitting Fees</b>	-	-	-	-	<b>0.59</b>	<b>0.45</b>
	Mr. Gopal Krishna Pillai	-	-	-	-	0.15	0.11
	Mr. Palamadai Sundararajan Jayakumar	-	-	-	-	0.10	0.08
	Mrs. Nirupama Rao	-	-	-	-	0.07	0.05
	Prof. G. Raghuram	-	-	-	-	0.13	0.10
	Others	-	-	-	-	0.14	0.11
<b>29</b>	<b>Corporate Guarantee Given</b>						
	Adani CMA Mundra Terminal Private Limited	-	USD 50 Mn	-	-	-	-
	Dhamra LNG Terminal Private Limited	183.30	-	-	-	-	-
<b>30</b>	<b>Corporate Guarantee Released</b>	-	-	-	<b>900.00</b>	-	-
	Adani Properties Private Limited	-	-	-	900.00	-	-

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

\*The above remuneration does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.

\*\* Previous year includes payment of variable pay related to earlier year.

\*\*\* Net of reversal of previous year.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 32 Related Party Disclosures (Contd...)

### (B) Balances with Related Parties

₹ In crore

Sr No	Particulars	With Joint Ventures		With Other Entities #		Key Management Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	<b>Trade Receivable (net of bills discounted, refer note 5 (c))</b>	<b>99.43</b>	<b>64.46</b>	<b>725.87</b>	<b>1,046.12</b>	-	-
	Adani Enterprises Limited	-	-	462.68	508.77	-	-
	Adani New Industries Limited (Formerly known as Mundra WindTech Limited)	-	-	16.61	171.45	-	-
	Adani Power Limited	-	-	96.60	222.78	-	-
	Others	99.43	64.46	149.98	143.12	-	-
2	<b>Loans</b>	<b>209.53</b>	<b>307.03</b>	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	204.76	300.33	-	-	-	-
	Others	4.77	6.70	-	-	-	-
3	<b>Capital Advances</b>	-	-	<b>9.03</b>	<b>9.03</b>	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	9.03	9.03	-	-
4	<b>Trade Payable (including Provisions)</b>	<b>4.11</b>	<b>1.85</b>	<b>63.55</b>	<b>110.28</b>	-	-
	Adani Enterprises Limited	-	-	27.75	46.47	-	-
	Adani Power Limited	-	-	3.84	43.77	-	-
	MPSEZ Utilities Limited	-	-	7.51	6.29	-	-
	Others	4.11	1.85	24.45	13.75	-	-
5	<b>Advances and Deposits from Customer/ Sale of Assets</b>	<b>0.64</b>	<b>0.56</b>	<b>16.17</b>	<b>5.81</b>	-	-
	Adani Enterprises Limited	-	-	2.72	1.85	-	-
	Adani Wilmar Limited	-	-	1.80	2.01	-	-
	Ambuja Cements Limited	-	-	1.83	0.08	-	-
	Mundra Solar Energy Limited	-	-	2.37	0.03	-	-
	Mundra Solar Technology Limited	-	-	3.89	-	-	-
	Others	0.64	0.56	3.56	1.84	-	-
6	<b>Other Financial &amp; Non-Financial Assets</b>	<b>63.76</b>	<b>25.91</b>	<b>407.93</b>	<b>534.70</b>	-	-
	Adani Estate Management Private Limited	-	-	77.84	63.04	-	-
	Adani Power Limited	-	-	4.68	144.77	-	-
	Adani Properties Private Limited	-	-	115.14	135.98	-	-
	Delhi Golf Link Properties Private Limited	-	-	100.00	100.00	-	-
	Others	63.76	25.91	110.27	90.91	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 32 Related Party Disclosures (Contd...)

₹ In crore

Sr No	Particulars	With Joint Ventures		With Other Entities #		Key Management Personnel and their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>7</b>	<b>Other Financial &amp; Non-Financial Liabilities</b>	-	-	<b>146.94</b>	<b>17.69</b>	-	-
	Adani Enterprises Limited	-	-	26.70	1.04	-	-
	Adani Green Energy Limited	-	-	115.48	-	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	2.13	2.13	-	-
	Adani Power Limited	-	-	-	2.11	-	-
	Adani Wilmar Limited	-	-	-	5.20	-	-
	MPSEZ Utilities Limited	-	-	-	6.70	-	-
	Others	-	-	2.63	0.51	-	-
<b>8</b>	<b>Corporate Guarantee Given</b>						
	Adani CMA Mundra Terminal Private Limited	USD 40.68 Mn	USD 67.54 Mn	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	-	178.07	-	-	-	-
	Dhamra LNG Terminal Private Limited	-	USD 307.26 Mn	-	-	-	-
	Dhamra LNG Terminal Private Limited	-	204.85	-	-	-	-

# Entities over which Key Management Personnel and their relatives have control / joint control / significant influence & Entity having significant influence over the Company has control / joint control / significant influence through voting power.

#### Notes:

- The Group has allowed to some of its joint venture entities to avail non fund based facilities out of its credit facilities. The aggregate of such transaction amounts to ₹ 0.66 crore (Previous year ₹ 0.66 crore).
- Pass through transactions/payable relating to railway freight, water front charges and other payable to third parties have not been considered for the purpose of related party disclosure.
- Pursuant to the amalgamation of Adani Power Maharashtra Limited, Adani Power Rajasthan Limited, Udupi Power Corporation Limited, Raigarh Energy Generation Limited, Raipur Energen Limited and Adani Power (Mundra) Limited with Adani Power Limited, the Group has disclosed the closing balances as on March 31, 2023 of above amalgamated companies as closing balances of Adani Power Limited.
- Previous year disclosure excludes payment made to Karaikal Port Private Limited w.r.t order passed by the National Company Law Tribunal ("NCLT") on March 31, 2023 (refer note 39(i)(1)).
- Transactions/balances with related party having value equal to / exceeding 10% of total transaction/balances of respective category is considered as material and have been disclosed separately.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

**33 The Group takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:**

Nature	Particulars of Derivatives		Purpose
	As at March 31, 2024	As at March 31, 2023	
Forward Contract	USD 23 Million	USD 245 Million	Hedging of foreign currency borrowing principal & interest liability
	USD 45.90 Million	USD 32.20 Million	Hedging of expected future billing based on foreign currency denominated tariff
	JPY 10,133.92 Million	JPY 10,133.92 Million	Hedging of foreign currency principal liability
	ILS 1,933.07 Million	ILS 1,928.97 Million	Hedging of foreign currency loan principal and interest receivable
	-	ILS 53.11 Million	Hedging of expected future billing based on foreign currency invoicing

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

Nature	As at March 31, 2024		As at March 31, 2023	
	Amount (₹ In crore)	Foreign Currency (in Million)	Amount (₹ In crore)	Foreign Currency (in Million)
Foreign Currency Loan	-	-	7.58	JPY 123.08
	22.24	USD 2.67	-	-
	377.30	EUR 41.98	535.65	EUR 59.89
Buyer's Credit	301.29	JPY 5,471.00	494.28	JPY 8,024.00
	612.73	USD 73.46	627.16	USD 76.33
	26.01	EUR 2.89	-	-
Trade Payables and Other Current Liabilities	1,203.16	USD 144.26	262.25	USD 31.92
	48.70	EUR 5.42	51.29	EUR 5.73
	0.03	JPY 0.63	1.93	JPY 31.36
	0.13	SGD 0.02	0.17	SGD 0.03
	-	-	0.09	AUD 0.02
	-	-	0.01	OMR#
	-	-	0.01	GBP#
	0.12	AED 0.05	-	-
0.03	CHF#	-	-	
Interest accrued but not due	232.72	USD 27.90	204.29	USD 24.86
	7.17	EUR 0.80	4.63	EUR 0.52
	1.28	JPY 23.26	1.77	JPY 28.77
Balances with Bank	-	-	-*	USD#
Trade Receivables	9.47	USD 1.14	4.71	USD 0.57
	-	-	0.02	EUR#
	-	-	0.30	OMR 0.01
Other Receivables	111.88	USD 13.41	22.35	USD 2.72
	0.03	EUR#	0.01	EUR#
Foreign Currency Bond	6,639.33	USD 796.04	7,428.07	USD 903.99
Loan Given	204.76	USD 24.55	300.33	USD 36.55

# Figures being nullified on conversion to foreign currency in million.

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

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 33 The Group takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under: (Contd...)

Closing rates as at :

	March 31, 2024	March 31, 2023
INR / USD	83.41	82.17
INR / EUR	89.88	89.44
INR / GBP	105.03	101.65
INR / JPY	0.55	0.62
INR / AUD	54.11	55.03
INR / SGD	61.74	61.79
INR / AED	22.71	22.37
INR / ILS	22.62	22.72
INR / CHF	92.04	89.58
INR / OMR	216.64	213.43

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

#### 34.1 Category-wise Classification of Financial Instruments:

₹ in crore

Particulars	Refer Note	As at March 31, 2024			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	1,575.73	1,575.73
Bank balances other than cash and cash equivalents	11	-	-	7,579.68	7,579.68
Investments in Equity Shares, Debenture, Bonds and others (other than investment in Joint Venture entities)	4 (b), 10	642.47	661.12	-	1,303.59
Investment in Compulsorily Convertible Preference Shares	4 (b)	-	277.14	-	277.14
Investments in unquoted Mutual Funds	10	-	0.67	-	0.67
Trade Receivables (including bill discounted)	5	-	-	3,666.94	3,666.94
Loans	6	-	-	328.53	328.53
Derivatives Instruments	7	-	0.69	-	0.69
Other Financial Assets	7	-	-	6,608.04	6,608.04
<b>Total</b>		<b>642.47</b>	<b>939.62</b>	<b>19,758.92</b>	<b>21,341.01</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted)	14,18	-	-	46,279.23	46,279.23
Trade Payables	19	-	-	2,167.36	2,167.36
Derivative Instruments	16	-	117.03	-	117.03
Lease Liabilities	15	-	-	3,024.48	3,024.48
Other Financial Liabilities	16	-	-	3,744.62	3,744.62
<b>Total</b>		<b>-</b>	<b>117.03</b>	<b>55,215.69</b>	<b>55,332.72</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

₹ in crore

Particulars	Refer Note	As at March 31, 2023			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	1,121.11	1,121.11
Bank balances other than cash and cash equivalents	11	-	-	4,680.63	4,680.63
Investments in Equity Shares, Debenture, Bonds and others (other than investment in Joint Venture entities)	4 (b), 10	1,078.74	2,229.23	-	3,307.97
Investment in Compulsorily Convertible Preference Shares	4 (b)	-	195.02	-	195.02
Investment in Special Infrastructure Investment Scheme of ASSIS	10	-	1,136.98	-	1,136.98
Investments in unquoted Mutual Funds	10	-	293.30	-	293.30
Trade Receivables (including bill discounted)	5	-	-	3,957.07	3,957.07
Loans	6	-	-	1,996.95	1,996.95
Derivative Instruments	7	-	194.01	-	194.01
Other Financial Assets	7	-	-	6,488.40	6,488.40
<b>Total</b>		<b>1,078.74</b>	<b>4,048.54</b>	<b>18,244.16</b>	<b>23,371.44</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted)	14,18	-	-	50,518.43	50,518.43
Trade Payables	19	-	-	2,296.04	2,296.04
Derivative Instruments	16	-	85.14	-	85.14
Financial Guarantee given	16	-	-	8.52	8.52
Lease Liabilities	15	-	-	2,749.26	2,749.26
Other Financial Liabilities	16	-	-	2,850.14	2,850.14
<b>Total</b>		<b>-</b>	<b>85.14</b>	<b>58,422.39</b>	<b>58,507.53</b>

**Note:** Investments in joint ventures, accounted using equity method, amounting to ₹ 2,707.26 crore (previous year ₹ 2,498.38 crore) are not included in above tables.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

### 34.2 Fair Value Measurements:

#### (a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities:

₹ in crore

Particulars	As at March 31, 2024				As at March 31, 2023		
	Quoted price in active market (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
<b>Financial Assets</b>							
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4, 10)	-	-	642.47	642.47	286.33	792.41	1,078.74
Investment in Government and Trust Securities (refer note 10)	27.82	-	-	27.82	-	-	-
Investment in Equity Instruments, Bonds and others (refer note 4, 10)	-	633.30	-	633.30	2,229.23	-	2,229.23
Investment in debt instrument of joint venture entity (refer note 4)	-	277.14	-	277.14	195.02	-	195.02
Investment in Special Infrastructure Investment Scheme of ASSIS (refer note 10)	-	-	-	-	1,136.98	-	1,136.98
Investments in unquoted Mutual Funds measured at FVTPL (refer note 10)	-	0.67	-	0.67	293.30	-	293.30
Derivative Instruments (refer note 7)	-	0.69	-	0.69	194.01	-	194.01
<b>Total</b>	<b>27.82</b>	<b>911.80</b>	<b>642.47</b>	<b>1,582.09</b>	<b>4,334.87</b>	<b>792.41</b>	<b>5,127.28</b>
<b>Financial Liabilities</b>							
Derivative Instruments (refer note 16)	-	117.03	-	117.03	85.14	-	85.14
<b>Total</b>	<b>-</b>	<b>117.03</b>	<b>-</b>	<b>117.03</b>	<b>85.14</b>	<b>-</b>	<b>85.14</b>

Investments in Unquoted Mutual Funds are valued based on declared NAV.

Derivative instruments are valued based on observable inputs i.e. yield curves, FX rates and volatilities etc.

The fair value of Investment in Government and Trust Securities is measured at quoted price or NAV.

The company has entered into call option agreement for an equity investment, whereby the company has agreed to grant the buyer an option to purchase the underlying equity investment, the fair value of such call option as at March 31, 2024 ₹ 10.17 crore (previous year ₹ 10.17 crore). The fair value is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the spot price, expected price volatility and the risk-free interest rate for the term of the option. The critical inputs for options granted are (i) Expected price volatility : 38 % (ii) Risk-free interest rate: 5.60 % (iii) Intrinsic value : Nil

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

The Company has entered into Put Option agreement for acquisition of additional 3% equity stake of subsidiary, the fair value of such put option is ₹ 23.50 crore as at March 31, 2024 (previous year ₹ 23.50 crore). The fair value is independently determined considering the exercise price, the term of the option, the spot price, expected price volatility and the risk-free interest rate for the term of the option.

### (b) Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2024 and March 31, 2023 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF Method	Weighted Average Cost of Capital (WACC)	March 31, 2024 : 11.50% - 12% (11.75%) March 31, 2023 : 11.50% - 12.50% (12%)	1% increase would result in decrease in fair value by ₹ 6.27 crore as of March 31, 2024 (₹ 13.86 crore as of March 31, 2023)
FVTOCI Assets in Investment in Optionally Convertible Debentures	Cost Approach (Summation Method)	Underlying Assets	NA	1% increase would result in increase in fair value by ₹ Nil as of March 31, 2024 (₹ 2.33 crore as of March 31, 2023)

During the current year, the Company has changed its valuation technique for Investment in Kutch Railway Company Limited from DCF (under Income approach) to Cost approach as it represent more reasonable estimate of fair value based on valuation report by Registered valuer.

### (c) Financial Instrument measured at Amortised Cost

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

## 34.3 Financial Risk Management objective and policies

The Group's principal financial liabilities, other than derivatives comprises of loans and borrowings, trade and other payables, lease liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations/projects and to provide guarantees to support Group's operations and its joint venture entities. The Group's principal financial assets include loans, investments including mutual funds, trade and other receivables, lease receivables and cash and cash equivalents which is derived from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through hedging transactions. It uses derivative instruments such as cross currency swaps, full currency swaps, interest rate swaps, foreign currency future options and foreign currency forward contract and non derivative financial assets or liabilities to manage these risks. These instruments reduces the impact of both favourable and unfavourable fluctuations.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

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

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

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

### A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments, short term investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2024. The analysis exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023.

#### (i) Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

#### Interest rate sensitivity

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2024 would decrease / increase by ₹ 13.28 crore (for the year ended March 31, 2023 : decrease / increase by ₹ 43.77 crore). This is mainly attributable to interest rates on variable rate of long term borrowings. The same has been calculated based on risk exposure outstanding as on balance sheet date. The year end balances are not necessarily representative of average debt outstanding during the year.

### (ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD), Japanese Yen (JPY), Australian Dollar (AUD), Great Britain Pound (GBP), Singapore Dollar (SGD), Arab Emirates Dirham (AED), Omani Rial (OMR), Euro (EURO), Swiss Franc (CHF) and Israeli Shekel (ILS) against Indian Rupee (INR), have an impact on the Group's operating results. The Group manages its foreign currency risk by entering into currency swap for converting other foreign currency loan into INR. The Group also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or creditors. Further, to hedge foreign currency future transactions in respect of highly probable forecasted transactions (for instance, foreign exchange denominated income), the Group has designated the same as hedged item against USD borrowing which is designated as hedging instrument under cash flow hedge (refer note 49).

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

₹ In crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Liabilities</b>				
<b>USD Sensitivity</b>				
₹/USD	(83.84)	(81.94)	(83.84)	(81.94)
- Increase by 1%				
₹/USD - Decrease by 1%	83.84	81.94	83.84	81.94
<b>EURO Sensitivity</b>				
₹/EURO - Increase by 1%	(4.59)	(5.92)	(4.59)	(5.92)
₹/EURO - Decrease by 1%	4.59	5.92	4.59	5.92
<b>GBP Sensitivity</b>				
₹/GBP - Increase by 1%	-	-*	-	-*
₹/GBP - Decrease by 1%	-	-*	-	-*
<b>SGD Sensitivity</b>				
₹/SGD - Increase by 1%	-*	-*	-*	-*
₹/SGD - Decrease by 1%	-*	-*	-*	-*

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

₹ In crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>JPY Sensitivity</b>				
₹/JPY - Increase by 1%	(3.03)	(5.06)	(3.03)	(5.06)
₹/JPY - Decrease by 1%	3.03	5.06	3.03	5.06
<b>AUD Sensitivity</b>				
₹/AUD - Increase by 1%	-*	-*	-*	-*
₹/AUD - Decrease by 1%	-*	-*	-*	-*
<b>AED Sensitivity</b>				
₹/AED - Increase by 1%	-*	-	-*	-
₹/AED - Decrease by 1%	-*	-	-*	-
<b>CHF Sensitivity</b>				
₹/CHF - Increase by 1%	-*	-	-*	-
₹/CHF - Decrease by 1%	-*	-	-*	-
<b>Assets</b>				
<b>OMR Sensitivity</b>				
₹/OMR - Increase by 1%	-	-*	-	-*
₹/OMR - Decrease by 1%	-	-*	-	-*

-\* Figures being nullified on conversion to ₹ in crore

### Cash Flow Hedge Accounting

The Group's business objective includes safeguarding its earnings against movement in foreign currency rates. The Group has adopted a structured risk management policy to hedge its foreign currency risk within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges.

The Group has opted to apply the hedge accounting, in line with its updated Risk Management policy, by designating the highly probable forecast revenues (billed in Indian rupees but derived based on \$ denominated tariff rates) as hedged item and non-derivative foreign currency financial liability of equivalent amount as hedging instrument under Cash Flow Hedge relationship. The Group has recognized the effective portion of hedge under Other Comprehensive Income, to be ultimately recognized in the Statement of Profit and loss when underlying forecasted transactions occur. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting will be discontinued prospectively. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

For hedges of highly probable forecast sales, the Group performs an assessment of effectiveness, and it is expected that the value of the non-derivative financial instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates. The Group uses the dollar offset method for the hedge effectiveness assessment and measurement of hedge ineffectiveness.

The main source of hedge ineffectiveness in these hedging relationships is the effect of time value of money resulting due to change in cashflows of hedged item and hedging instruments and difference in coupon interest rate and discount rate considered for the purpose of designation. No other sources of ineffectiveness emerged from these hedging relationships.

Following are the key estimates and assumptions considered:

- Revenue Growth of 6% in FY 25 as well as thereafter
- Interest Rate considered for discounting hedged item ranging from 4.50% to 6.70% basis respective maturity periods.

### 1) Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the hedge contracts match the terms of hedge items. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange are identical to the hedged risk components.

### 2) Hedging Instrument

Particulars	Carrying Amount		Hedge Maturity	Line Item in Balance Sheet
	Assets	Liabilities (₹ in crore)		
<b>As on March 31, 2024</b>				
Foreign Currency Bonds	-	22,986.42	July 2024 to August 2041	Non-Current Borrowing

Particulars	Carrying Amount		Hedge Maturity	Line Item in Balance Sheet
	Assets	Liabilities (₹ in crore)		
<b>As on March 31, 2023</b>				
Foreign Currency Bonds	-	22,646.05	July 2024 to August 2041	Non-Current Borrowing

### 3) Hedged Items

Particulars	Nominal Value	Hedge Reserve	Line Item in Balance Sheet	₹ in crore
<b>As on March 31, 2024</b>				
Highly Probable Forecast sales	22,986.42	(183.95)	Other Equity	

Particulars	Nominal Value	Hedge Reserve	Line Item in Balance Sheet	₹ in crore
<b>As on March 31, 2023</b>				
Highly Probable Forecast sales	22,646.05	(560.11)	Other Equity	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

### 4) The effect of the cash flow hedge in the Statement of Profit and Loss is as follows:-

Particulars	₹ in crore	
	March 31, 2024	March 31, 2023
Total hedging (loss) recognised in OCI	(313.68)	(717.47)
Income tax on above	78.95	180.58
	<b>(234.73)</b>	<b>(536.89)</b>
Recycled to statement of profit and loss	(25.39)	11.61
Ineffectiveness recognised in statement of profit and loss	(20.07)	(116.53)

### (iii) Equity price risk

The Group'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 Group has given corporate guarantees and pledged part of its investment in equity in order to fulfil the collateral requirements of the subsidiaries and joint venture entities. 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 and 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 Management of the Company on an annual basis and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Corporate Guarantees given to banks and financial institutions against credit facilities availed by the joint venture entities ₹ 339.29 crore (Previous year ₹ 3,462.70 crore)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

### Concentrations of Credit risk form part of Credit risk

Considering that the group operates the port services and provide related infrastructure services, the group is significantly dependent on cargo from such large port user customer located at various ports. Out of total revenue, the Group earns 22% revenue (previous year 33%) from such customers and with some of these customers, the group has long term cargo contracts . Receivables from such customer constitute 38% of total trade receivables (previous year 45%) . A loss of these customer could adversely affect the operating result or cash flow of the Group.

### (C) Liquidity Risk

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

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

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

₹ in crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Amount
<b>As at March 31, 2024</b>						
Borrowings (including the bills discounted)	14,18	8,623.88	19,331.51	18,431.00	46,386.39	46,279.23
Interest Payments	16	2,190.56	5,175.24	3,393.50	10,759.30	748.75
Trade Payables	19	2,167.36	-	-	2,167.36	2,167.36
Derivatives Instruments	16	98.45	18.58	-	117.03	117.03
Lease Liabilities	15	128.57	817.99	5,639.90	6,586.46	3,024.48
Other Financial Liabilities	16	2,793.54	202.33	-	2,995.87	2,995.87
<b>Total</b>		<b>16,002.36</b>	<b>25,545.65</b>	<b>27,464.40</b>	<b>69,012.41</b>	<b>55,332.72</b>

₹ in crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Amount
<b>As at March 31, 2023</b>						
Borrowings (including the bills discounted)	14,18	4,008.17	28,775.76	18,062.25	50,846.18	50,518.43
Interest Payments	16	2,496.35	6,261.61	4,042.39	12,800.35	865.85
Trade Payables	19	2,296.04	-	-	2,296.04	2,296.04
Derivatives Instruments	16	60.02	25.12	-	85.14	85.14
Financial Guarantees given	16	5.54	2.98	-	8.52	8.52
Lease Liabilities	15	111.76	785.59	5,278.88	6,176.23	2,749.26
Other Financial Liabilities	16	1,789.37	194.92	-	1,984.29	1,984.29
<b>Total</b>		<b>10,767.25</b>	<b>36,045.98</b>	<b>27,383.52</b>	<b>74,196.75</b>	<b>58,507.53</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

### Notes:

- i) 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 call and refinancing options available with the Group. 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.
- ii) In above figures, foreign currency liabilities are converted to INR at exchange rate prevailing on reporting date.

### 34.4 Capital management

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

The Group monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance & Investments in Mutual Fund) divided by total capital plus net debt.

Particulars	₹ In crore	
	March 31, 2024	March 31, 2023
Total Borrowings (refer note 14, 18) (including the bills discounted)	46,279.23	50,518.43
Less: Cash and bank balance & Investments in Mutual Fund (refer note 10, 11)	9,156.08	6,095.04
Net Debt (A)	37,123.15	44,423.39
Total Equity (B)	52,944.77	45,555.92
Total Equity and Net Debt (C = A + B)	90,067.92	89,979.31
<b>Gearing ratio</b>	<b>41%</b>	<b>49%</b>

In order to achieve this overall objective, the Group'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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

## 35 Capital Commitments and Other Commitments

### (I) Capital Commitments

Estimated amount of contracts (net of security deposits amounting to ₹ Nil (previous year ₹ 2,036.63 crore) included in note 7 and capital advances) remaining to be executed on capital account and not provided for ₹ 8,486.37\* crore (previous year ₹ 13,553.71\* crore) pertains to various projects to be executed during the next 5 years.

\* Excluding for a project under arbitration with concessioning authority (refer note - 36 (o))

### (II) Other Commitments

- a) The port projects of subsidiary companies viz. The Dhamra Port Company Limited ("DPCL") and joint venture Adani International Container Terminal Private Limited ("AICTPL") have been funded through various credit facility agreements with banks. Against the said facilities availed by the aforesaid entities from the banks, the Company has pledged its shareholding in the subsidiary / joint venture companies and executed Non Disposal Undertaking, the details of which is tabulated below :-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 35 Capital Commitments and Other Commitments (Contd...)

The details of shareholding pledged by the Company is as follows :

Name of Subsidiaries / Joint Ventures	% of Non disposal undertaking (Apart from pledged)		% of Share Pledged of the total shareholding of investee company	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Adani International Container Terminal Private Limited	50.00%	50.00%	-	-
The Dhamra Port Company Limited	21.00%	21.00%	30.00%	30.00%

- b) The subsidiary companies have imported capital goods for its Container & Multipurpose Port Terminal and Project Equipments under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is ₹ 1,897.15 crore (previous year ₹ 1,512.32 crore) which is equivalent to 6 to 8 times of duty saved ₹ 387.87 crore (previous year ₹ 252.05 crore) . The export obligation has to be completed by 2024-25 to 2029-30.

One of the subsidiary company has filed an application to extend the deadline for completion of the obligation amounting to ₹ 714.88 crore for another two years.

- c) As a part of Environmental Clearance obtained by the Vizhinjam International Sea Port Limited (VISL or 'the Authority'), the AVPPL has been obliged to incur expenditure of ₹ 33.70 crore towards 'Corporate Social Responsibility' along with development of Port Infrastructure under Phase - I and the same is included under the total Project cost. Out of total commitment of ₹ 33.70 crore, the AVPPL has incurred ₹ 24.09 crore till March 31, 2024.

## 36 Contingent Liabilities not provided for

Sr. No	Particulars	₹ In crore	
		March 31, 2024	March 31, 2023
a)	Certain facilities availed by the joint venture entities against credit facilities sanctioned to the company.	0.66	0.66
b)	Bank Guarantees given to government authorities and banks.	340.47	340.47
c)	Show cause notices received from the Custom Authorities against duty on port related cargo. The Company has given deposit of ₹ 0.05 crore (previous year ₹ 0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14	0.14

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 36 Contingent Liabilities not provided for (Contd...)

Sr. No	Particulars	₹ In crore	
		March 31, 2024	March 31, 2023
d)	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeal there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other fixed assets during financial year 2006-07 to 2016-17. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of ₹ 4.50 crore (previous Year ₹ 4.50 crore) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011).	32.63	32.63
e)	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat ₹ 6.72 crore (previous Year ₹ 6.72 crore) and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad ₹ 0.15 crore (previous Year ₹ 0.15 crore) and Commissioner of Service Tax Ahmedabad ₹ 0.03 crore (previous Year ₹ 0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90	6.90
f)	Commissioner of Customs, Ahmedabad has vide order no.4/ Comm./SIIB/2009 dated November 25, 2009 imposed penalty in connection with import of Air Craft owned by Karnavati Aviation Private Limited (Formerly known as Gujarat Adani Aviation Private Limited), subsidiary of the Company. However, on appeal by the Company, the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) vide Order dated 28.04.2023 set aside the penalty. The Department has challenged CESTAT Order before Guj. High Court. It is settled law that where issue is related to interpretation of provisions of law, no penalty can be imposed. Therefore, the management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognized in the books of account.	-	2.00

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 36 Contingent Liabilities not provided for (Contd...)

		₹ In crore	
Sr. No	Particulars	March 31, 2024	March 31, 2023
g)	In terms of the Show Cause Notice issued to a subsidiary company by the Office of the Commissioner of Customs for a demand of ₹ 18.33 crore along with applicable interest and penalty thereon for the differential amount of Customs Duty in respect of import of Bombardier Challenger CL-600 under Non-Scheduled Operation Permit (NSOP) has been raised on the subsidiary company.	18.33	18.33
h)	In terms of the Show Cause cum Demand Notice issued to subsidiary company by the Office of the Commissioner of Customs Preventive Section dated 27/02/2009, a demand of ₹ 14.67 crore along with applicable interest and penalty thereon for the differential amount of Customs Duty in respect of import of Aircraft Hawker 850 XP under Non-Scheduled Operation Permit (NSOP) has been raised on the subsidiary company. Currently the matter is pending with Gujarat High Court for hearing.	14.53	14.53
i)	Various matters pending relating to Service Tax, Customs and Goods and Service Tax (including Cess). The management is of the view that no liability shall arise on the subsidiaries companies.	61.99	50.50
j)	Show cause notice received from Directorate General of Central Excise Intelligence for Non-Payment of Service Tax on Domestic Journey and on certain Foreign Service on reverse charge mechanism amounting to ₹ 3.03 crore. The subsidiary company had filed appeal with Commissioner of Service Tax & received order for the same. In reference to order passed by Commissioner of Service Tax, the subsidiary company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the order of Commissioner for confirmation of tax liability of ₹ 3.71 crore (including Penalty). Upon appeal (Appeal No. ST/193/2012), the subsidiary company has received final order in favor of the subsidiary company during the current year.	-	3.71
k)	Various matters of subsidiary companies pending with Income Tax Authorities.	4.99	4.76
l)	(i) Claims not acknowledged as debts by Indian Subsidiaries :-		
	- Liquidated damages	-	134.88
	- Claims of contractors	-	32.66
	- Other claims	1.14	1.14
	(ii) Claims not acknowledged as debts by Foreign Subsidiaries :-		
	- Claims pertaining to cargo damage, third party damage, longshoreman damage and other accidents	75.92	121.95
	- Liabilities against lawsuits and monetary claims	202.36	202.30
	- Employee benefits claims	-	17.04
	- Various Guarantees	73.67	71.57

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 36 Contingent Liabilities not provided for (Contd...)

Sr. No.	Particulars
m)	The Company's tax assessments is completed till Assessment year 2021-22, Appeals are pending with High Court/Supreme Court for Assessment Year 2008-09 to AY 2010-11 & with CIT for AY 2017-18 to AY 2021-22. Company has received favourable orders on most of the matters for AY 2008-09 to AY 2021-22 from CIT(A)/ITAT/High Court, hence the management is reasonably confident that no liability will devolve on the Company. Company has considered it as remote liability.
n)	Matters of acquired subsidiaries for which indemnity is available from previous owner/seller <ul style="list-style-type: none"> <li>(i) Matters pending with Central Warehousing Corporation amounting to ₹ 10.14 crore.</li> <li>(ii) Matters pending with Income Tax, Service Tax and Various other authorities amounting to ₹ 418.55 crore.</li> </ul>
o)	During the financial year 2020-21, Adani Ennore Container Terminal Private Limited ("AECTPL") has received notice from Kamarajar Port Limited ("KPL") relating to delay in completion of a milestone of Phase II, levying liquidated damages of ₹ 29.60 crore. AECTPL sought for injunction from Hon'ble High Court of Madras and as per its direction, initiated arbitration and deposited ₹ 10 crore without prejudice and subject to outcome of arbitration and other such remedies available in the concession agreement. The management is confident that there should be no such levy and has contested the same attributing the delay in Phase II commencement to reasons beyond control of AECTPL including but not limited to delays in Phase I Project (including Force Majeure events of Cyclone Vardha), delay by the Concessioneing Authority in appointing an Independent Engineer for Phase II Project, allocation of land, issuance of Phase I completion certificate, etc. Considering above, no provision of the liquidated damages claimed by KPL has been considered necessary at this stage. Further, AECTPL could not achieve the Minimum Guaranteed tonnage as per concession agreement on account of various force majeure events including reasons attributable to KPL which was also contested as part of ongoing arbitration. The disputes were referred to arbitration before a three-member tribunal. Both parties completed their respective final and rejoinder arguments. The matter is now reserved for award. The management believes that it is not likely to have any material financial impact on account of the disputes, which are required to be considered for the purpose of these financial statements.
p)	During the financial year 2020-21, the group has received notice from one of the port trust authority, relating to royalty on deemed storage income for ₹ 41.40 crore. The Group has applied for extending the relief of rationalised tariff retrospectively, available under guidelines issued by Ministry of Shipping dated July 11, 2018. The Group has paid an amount of ₹ 18.67 crore and provided the same in books on prudent basis and doesn't anticipate any further outflow.
q)	For other arbitration matters, refer note 40, 42, 44, 46

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 37 Interest in joint Venture Entities

(A) Summarised Balance Sheet and Statement of Profit and Loss of material entities are as below:

₹ In crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Summarised Balance Sheet</b>				
Share Capital and Other Equity	426.07	180.26	1,363.08	1,087.22
Non-current Liabilities	823.44	529.73	2,124.60	2,350.52
Current Liabilities	329.54	963.33	338.27	350.60
Non-current Assets	1,444.18	1,547.83	3,287.38	3,404.57
Current Assets	134.87	125.49	538.57	383.77
<b>Statement of Profit and Loss</b>				
Revenue	933.18	750.18	1,946.80	1,551.84
Operating Expenses	(217.34)	(180.07)	(460.31)	(350.07)
Terminal Royalty Expenses	(136.28)	(107.72)	(341.34)	(263.26)
Employee Benefit Expenses	(9.27)	(8.66)	(16.04)	(15.39)
Depreciation and Amortisation Expense	(122.00)	(122.74)	(252.38)	(249.92)
Foreign Exchange loss (net)	(16.35)	(110.45)	(33.66)	(217.05)
Finance Costs	(80.49)	(80.47)	(77.49)	(100.16)
Other Expenses	(18.50)	(14.62)	(52.50)	(76.98)
<b>Profit before exceptional item and tax</b>	<b>332.95</b>	<b>125.45</b>	<b>713.08</b>	<b>279.01</b>
Exceptional Item	-	-	-	-
<b>Profit before tax</b>	<b>332.95</b>	<b>125.45</b>	<b>713.08</b>	<b>279.01</b>
Income-tax expense	(87.12)	(34.77)	(18.24)	(16.87)
<b>Profit after tax</b>	<b>245.83</b>	<b>90.68</b>	<b>694.84</b>	<b>262.14</b>
Other Comprehensive Income/ (Loss)	(0.01)	0.15	(0.08)	0.18
<b>Total Comprehensive Income</b>	<b>245.82</b>	<b>90.83</b>	<b>694.76</b>	<b>262.32</b>
<b>Capital and Other Commitments</b>	<b>7.43</b>	<b>1.29</b>	<b>13.19</b>	<b>22.31</b>
<b>Contingent liability not accounted for</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

₹ In crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Summarised Balance Sheet</b>				
Share Capital and Other Equity	1.86	5.02	1,118.76	1,356.94
Non-current Liabilities	27.58	31.17	628.91	5,499.00
Current Liabilities	10.53	7.63	5,627.12	435.05
Non-current Assets	31.78	35.83	6,208.91	6,456.74
Current Assets	8.19	7.99	1,165.88	834.25

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 37 Interest in joint Venture Entities (Contd...)

₹ In crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Statement of Profit and Loss</b>				
Revenue	34.71	33.65	1,093.87	2,819.13
Operating Expenses	(30.98)	(28.97)	(884.46)	(2,657.49)
Employee Benefit Expenses	-	-	(31.67)	(9.44)
Depreciation and Amortisation Expense	(4.35)	(4.34)	(262.83)	(0.57)
Foreign Exchange gain/(loss) (net)	-	-	1.12	(6.02)
Finance Costs	(2.39)	(2.62)	(393.02)	(26.45)
Other Expenses	(0.16)	(0.10)	(114.90)	(22.22)
<b>Profit / (Loss) before tax</b>	<b>(3.17)</b>	<b>(2.38)</b>	<b>(591.89)</b>	<b>96.94</b>
Income-tax expense	-	-	158.29	(26.21)
<b>Profit / (Loss) after tax</b>	<b>(3.17)</b>	<b>(2.38)</b>	<b>(433.60)</b>	<b>70.73</b>
Other Comprehensive Income/ (Loss)	-	-	(80.04)	41.54
<b>Total Comprehensive Income/ (Loss)</b>	<b>(3.17)</b>	<b>(2.38)</b>	<b>(513.64)</b>	<b>112.27</b>
<b>Capital and Other Commitments</b>	-	-	<b>4.64</b>	<b>157.16</b>
<b>Contingent liability not accounted for</b>	-	-	<b>108.26</b>	<b>3.52</b>

₹ In crore

Particulars	Indianoil Adani Ventures Limited (Consolidated)	
	March 31, 2024	March 31, 2023
<b>Summarised Balance Sheet</b>		
Share Capital and Other Equity	1,880.28	1,650.16
Non-current Liabilities	1,634.38	1,492.25
Current Liabilities	738.29	746.98
Non-current Assets	2,572.89	2,393.24
Current Assets	1,642.06	1,469.51
Asset held for sale	38.00	26.64
<b>Statement of Profit and Loss</b>		
Revenue	690.70	179.05
Operating Expenses	(191.89)	(94.87)
Employee Benefit Expenses	(53.88)	(10.15)
Depreciation and Amortisation Expense	(33.37)	(5.33)
Foreign Exchange Gain (net)	0.98	0.61
Finance Costs	(137.27)	(24.30)
Other Expenses	(44.32)	(10.22)
<b>Profit before share of losses of joint ventures (net) and tax</b>	<b>230.95</b>	<b>34.79</b>
Share of net losses of joint ventures (net of tax)	(0.15)	(3.69)
<b>Profit before tax</b>	<b>230.80</b>	<b>31.10</b>
Income-tax expense	(145.26)	(8.80)
<b>Profit after tax</b>	<b>85.54</b>	<b>22.30</b>
Other Comprehensive Income/(loss)	150.47	(0.09)
<b>Total Comprehensive Income</b>	<b>236.01</b>	<b>22.21</b>
<b>Capital and Other Commitments</b>	<b>4,321.32</b>	<b>38.13</b>
<b>Contingent liability not accounted for</b>	<b>771.13</b>	<b>803.52</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 37 Interest in joint Venture Entities (Contd...)

### (B) Reconciliation of carrying amounts of joint ventures

₹ In crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Net assets of joint venture entities	426.07	180.26	1,363.08	1,087.22
Proportion of Group's share	50%	50%	50%	50%
Group's share	213.04	90.13	681.54	543.61
Elimination from intra-group transactions/adjustments	(213.04)	(90.13)	(653.98)	(543.61)
Carrying amount of Group's interest (refer note 4(a))	-	-	27.56	-

₹ In crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Net assets of joint venture entities	1.86	5.02	1,118.76	1,356.94
Proportion of Group's share	51%	51%	50%	50%
Group's share	0.95	2.56	559.38	678.47
Fair valuation and other adjustment	-	-	744.03	555.16
Elimination from intra-group transactions/adjustments	-	-	-	-
Carrying amount of Group's interest (refer note 4(a))	0.95	2.56	1,303.41	1,233.63

₹ In crore

Particulars	Indianoil Adani Ventures Limited (Consolidated)	
	March 31, 2024	March 31, 2023
Net assets of joint venture entities	1,880.28	1,650.16
Proportion of Group's share	49.99%	49.38%
Group's share	939.95	814.85
Elimination on acquisition	340.63	356.94
Carrying amount of Group's interest (refer note 4(a))	1,280.58	1,171.79

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 38 Disclosure of subsidiaries having material non-controlling interest

### (i) Summarised Statement of Profit and loss

₹ In crore

Particulars	Haifa Port Company Limited	
	March 31, 2024	March 31, 2023*
Revenue	1,623.51	354.31
Profit/(Loss) for the year/period	365.91	(4.50)
Other Comprehensive Income	655.64	9.12
Total Comprehensive Income	1,021.55	4.62
Effective % of non-controlling interest	30%	30%
Profit allocated to non-controlling interest	306.47	1.39
Dividend to non-controlling interest	-	-

\* From the date of acquisition till the reporting date

### (ii) Summarised Balance Sheet

₹ In crore

Particulars	Haifa Port Company Limited	
	March 31, 2024	March 31, 2023
Non-current Assets	5,885.77	5,031.73
Current Assets	3,729.08	4,205.01
<b>Total Assets</b>	<b>9,614.85</b>	<b>9,236.74</b>
Current Liabilities	612.16	827.84
Non-current Liabilities	1,315.48	1,407.95
<b>Total Liabilities</b>	<b>1,927.64</b>	<b>2,235.79</b>
<b>Net Assets</b>	<b>7,687.21</b>	<b>7,000.95</b>
<b>Accumulated non-controlling interest</b>	<b>1,116.29</b>	<b>809.83</b>

### (iii) Summarised Statement of Cash Flow

₹ In crore

Particulars	Haifa Port Company Limited	
	March 31, 2024	March 31, 2023*
Net Cash used in Operating Activities	(271.91)	(145.83)
Net Cash generated from/(used in) Investing Activities	47.58	(2,023.15)
Net Cash (used in)/generated from Financing Activities	(176.42)	2,440.91
<b>Net (Decrease)/Increase in cash and cash equivalents</b>	<b>(400.75)</b>	<b>271.93</b>

\* From the date of acquisition till the reporting date

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 39 Business Combinations, acquisitions and disposals during the year

- (I) 1) On March 31, 2023, The National Company Law Tribunal ("NCLT") has passed the order approving the Company ("APSEZL") to be successful resolution applicant for Karaikal Port Private Limited ("KPPL") under Corporate Insolvency Resolution Process ("CIRP") with equity of ₹ 1 crore and debt of ₹ 1,485 crore.

During the year, subsequent to the formulation of new board of directors, the Company has exercised control over the KPPL and accordingly KPPL has been consolidated in the financial statements w.e.f. April 04, 2023.

The Group has concluded final determination of fair values of identified assets and liabilities for the purpose of purchase price allocation and based on the final fair valuation report of external independent expert, the Group has recorded capital reserve of ₹ 398.39 crore on acquisition.

- 2) During the previous year, Mediterranean International Ports A.D.G.D Limited, a subsidiary of the Company with 70% controlling stake, has concluded the acquisition of Haifa Port Company Limited for a consideration of ILS 3,975 Millions from the Government of Israel which operates Haifa Port in Israel.

The Group has concluded final determination of fair values of identified assets and liabilities for the purpose of Purchase Price Allocation and based on the final fair valuation report of external independent expert, the Group has recorded Goodwill of ₹ 118.26 crore on acquisition and consequently the Group has restated the reported results of previous periods.

The reconciliation of the reported and restated results of above schemes are as below:-

### Statement of Profit and Loss

Particulars	Year Ended March 31, 2023	
	Reported	Restated
Revenue from Operations	20,851.91	20,851.91
Profit Before Tax	5,489.13	5,486.89
Profit After Tax	5,392.75	5,390.85
Total Comprehensive Income	4,861.75	4,833.52

₹ In crore

### Balance Sheet

Particulars	As at March 31, 2023	
	Reported	Restated
(i) Non-Current Assets	97,457.61	97,166.70
(ii) Current Assets	17,447.52	17,596.39
<b>Total Assets</b>	<b>1,14,905.13</b>	<b>1,14,763.09</b>
(i) Total Equity	46,922.09	46,916.98
(ii) Non-Current Liabilities	55,058.48	55,315.99
(iii) Current Liabilities	12,924.56	12,530.12
<b>Total Equity and Liabilities</b>	<b>1,14,905.13</b>	<b>1,14,763.09</b>

₹ In crore

### Statement of Cash Flows

Particulars	Year Ended March 31, 2023	
	Reported	Restated
Net Cash generated from Operating Activities	11,933.25	11,899.50
Net Cash used in Investing Activities	(19,603.60)	(19,560.08)
Net Cash used in Financing Activities	(2,733.80)	(2,733.80)

₹ In crore

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 39 Business Combinations, acquisitions and disposals during the year (Contd...)

The fair value of the identifiable assets and liabilities as at the date of acquisition were:

Particulars	₹ In crore
	Karaikal Port Private Limited
<b>Assets</b>	
Tangible, Intangible Assets and Investment Property (including Capital Work-in-progress)	1,659.04
Other financial/non-financial assets	51.05
Inventories	13.33
Trade Receivables	79.01
Cash and Cash Equivalents	163.31
<b>Total Assets</b>	<b>1,965.74</b>
<b>Liabilities</b>	
Provisions	1.48
Other financial/non-financial liabilities	14.46
Trade Payables	42.41
Deferred Tax liability (net) (refer note (d) below)	23.00
<b>Total Liabilities</b>	<b>81.35</b>
<b>Total Identifiable Net Assets at fair value</b>	<b>1,884.39</b>
<b>Purchase Consideration paid</b>	
- For Equity Share	1.00
- For Borrowings	1,485.00
	<b>1,486.00</b>
<b>Capital Reserve arising on acquisition</b>	<b>(398.39)</b>

### Notes:-

- (a) The determination of the fair value is based on depreciated replacement cost and multi-period excess earnings method. Key assumptions on which the management has based fair valuation includes estimated long-term growth rates, weighted average cost of capital and estimated operating margin. The Cash flow projections take into account past experience and represent the management's best estimate about future developments.
- (b) Goodwill is attributable to future growth of business out of synergies from these acquisitions and assembled workforce.
- (c) The above acquisitions will expand the Group's portfolio and foot print in terms of operations.
- (d) Impact of deferred tax adjustment amounting to ₹ 23.00 crore, arising on business combination, adjusted in Goodwill as per Ind AS - 12 Income Taxes.
- (e) Contribution to Revenue and profit by acquired entity:-

From the date of acquisition, Karaikal Port Private Limited have contributed ₹ 622.39 crore and ₹ 232.88 crore to the Revenue and profit before tax to the Group respectively. If the combination had taken place at the beginning of the year, the revenue and profit before tax would have been the same.

- (ii) During the current year, the Group has acquired 100% equity stake of Griptronics Enterprises Private Limited, Nabhganga Enterprises Private Limited, Agratas Projects Private Limited, Adrita Realtors Private Limited, Dependencia Infrastructure Private Limited and Mandhata Build Estate Private Limited for logistics business for consideration of ₹ 250.33 crore, the assets of which mainly comprises of land. The acquisition does not constitute a business combination and hence has been accounted for as an asset acquisition.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 40 Assets classified as held for sale

Adani Vizag Coal Terminal Private Limited ("AVCTPL"), a subsidiary of the Company is engaged in Port services under concession agreement with Visakhapatnam Port Trust ("VPT"). During the financial year 2021-22, AVCTPL and VPT had initiated termination on mutual consent as per right under the concession agreement citing force majeure events, which went for arbitration. Both the parties have filed the claim with arbitrators and the final outcome is yet to be decided.

During the financial year 2021-22, the arbitration tribunal, in its interim order, observed that terminal remaining idle leads to its deterioration and fails to generate any revenue. Hence, terminal should be put to operation without any delay and has directed VPT to release an ad-hoc interim payment to AVCTPL. Based on such directions, ad-hoc payment of ₹ 155 crore had been received against handing over the possession, management and operational control of the terminal, leaving open all rights and contentions of both parties for examination at a later stage. Pending final outcome of the ongoing arbitration, the group has classified the terminal assets/liabilities as held for sale which includes Non-current assets (Including Property, Plant & Equipments, Intangibles) ₹ 185.40 crore, Inventories ₹ 1.35 crore and other liabilities ₹ 47.55 crore. The ad-hoc payment received has been classified as Advance from customer under current liabilities (refer note 17).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

₹ In crore

Name of entity	As at and for the year ended March 31, 2024									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
<b>Parent Company</b>										
Adani Ports and Special Economic Zone Limited	27.20%	29,354.16	15.91%	1,738.35	(1.00%)	(6.81)	14.92%	1,731.54		
<b>Subsidiary Companies</b>										
<b>Indian</b>										
Adani Harbour Services Limited	10.00%	10,792.48	23.87%	2,607.59	(0.01%)	(0.07)	22.47%	2,607.52		
Adani Hazira Port Limited	5.93%	6,400.93	9.73%	1,063.42	0.01%	0.09	9.16%	1,063.51		
Adani Logistics Limited	11.64%	12,555.85	0.25%	27.62	0.02%	0.11	0.24%	27.73		
The Dhamra Port Company Limited	5.80%	6,258.46	9.07%	991.36	(0.01%)	(0.07)	8.54%	991.29		
Adani Petronet (Dahej) Port Limited	1.63%	1,755.79	3.49%	381.72	0.71%	4.82	3.33%	386.54		
Shanti Sagar International Dredging Limited	0.83%	896.99	1.86%	202.96	(0.00%)	(0.03)	1.75%	202.93		
Adani Murrugao Port Terminal Private Limited	(0.31%)	(332.57)	0.04%	4.91	0.00%	0.02	0.04%	4.93		
Adani Vizag Coal Terminal Private Limited	(0.24%)	(262.49)	0.31%	33.72	-	-	0.29%	33.72		
Adani Warehousing Services Limited	0.01%	10.92	0.01%	0.66	-	-	0.01%	0.66		
Adani Hospitals Mundra Limited	0.00%	4.90	0.01%	1.13	(0.00%)	(0.01)	0.01%	1.12		
Mundra International Airport Limited	(0.00%)	(0.97)	(0.02%)	(2.34)	-	-	(0.02%)	(2.34)		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd..)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Mundra SEZ Textile And Apparel Park Private Limited	(0.01%)	(10.34)	0.00%	0.37	-	-	0.00%	-	0.00%	0.37
Adinath Polyfills Private Limited	(0.00%)	(2.72)	(0.01%)	(1.02)	-	-	(0.01%)	-	(0.01%)	(1.02)
Adani Ennore Container Terminal Private Limited	(0.08%)	(83.36)	(0.21%)	(23.28)	(0.00%)	(0.01)	(0.20%)	(0.01)	(0.20%)	(23.29)
Adani Vizhinjam Port Private Limited	2.27%	2,445.31	0.00%	0.10	-	-	0.00%	-	0.00%	0.10
Adani Kattupalli Port Limited	0.03%	34.08	0.05%	5.74	-	-	0.05%	-	0.05%	5.74
Karnavati Aviation Private Limited	0.30%	328.55	0.08%	8.90	(0.06%)	(0.41)	0.07%	(0.41)	0.07%	8.49
Hazira Infrastructure Limited	0.02%	26.24	0.01%	0.84	-	-	0.01%	-	0.01%	0.84
Adani Ports Technologies Private Limited	0.00%	0.05	-	-*	-	-	-	-	-	-*
Mundra Crude Oil Terminal Limited	0.52%	564.07	(0.00%)	(0.03)	-	-	(0.00%)	-	(0.00%)	(0.03)
Marine Infrastructure Developer Private Limited	2.02%	2,179.22	0.66%	72.05	0.03%	0.19	0.62%	0.19	0.62%	72.24
Blue Star Realtors Limited	4.42%	4,765.04	(0.04%)	(4.10)	0.05%	0.36	(0.03%)	0.36	(0.03%)	(3.74)
Madurai Infrastructure Limited	0.22%	233.39	(0.00%)	(0.45)	-	-	(0.00%)	-	(0.00%)	(0.45)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Dholera Port And Special Economic Zone Limited	(0.00%)	(3.05)	(0.00%)	(0.27)	-	-	(0.00%)	(0.27)		
Adani Kandla Bulk Terminal Private Limited	(0.06%)	(62.18)	(0.60%)	(65.88)	-	-*	(0.57%)	(65.88)		
Dholera Infrastructure Private Limited	(0.00%)	(3.68)	(0.00%)	(0.31)	-	-	(0.00%)	(0.31)		
Adani Agri Logistics Limited	0.82%	884.64	0.24%	26.25	(0.00%)	(0.02)	0.23%	26.23		
Adani Agri Logistics (MP) Limited	(0.00%)	(0.02)	0.00%	0.01	-	-*	0.00%	0.01		
Adani Agri Logistics (Harda) Limited	0.00%	2.71	0.00%	0.40	-	-*	0.00%	0.40		
Adani Agri Logistics (Hoshangabad) Limited	0.00%	2.85	0.00%	0.52	-	-*	0.00%	0.52		
Adani Agri Logistics (Satna) Limited	0.00%	2.91	0.00%	0.52	-	-*	0.00%	0.52		
Adani Agri Logistics (Ujjain) Limited	(0.00%)	(0.58)	0.00%	0.45	-	-*	0.00%	0.45		
Adani Agri Logistics (Dewas) Limited	0.00%	3.74	0.00%	0.39	-	-*	0.00%	0.39		
Adani Agri Logistics (Katihar) Limited	0.01%	14.10	0.01%	1.46	-	-*	0.01%	1.46		
Adani Agri Logistics (Kotkapura) Limited	0.01%	6.07	0.01%	0.95	-	-*	0.01%	0.95		
Adani Agri Logistics (Kannauj) Limited	0.03%	32.83	(0.01%)	(1.46)	-	-*	(0.01%)	(1.46)		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Adani Agri Logistics (Panipat) Limited	0.05%	49.58	(0.07%)	(7.63)	(0.00%)	(0.01)	(0.07%)	(7.64)		
Adani Agri Logistics (Moga) Limited	0.01%	7.15	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Mansa) Limited	0.00%	3.85	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Bulk Terminals (Mundra) Limited	(0.00%)	(0.22)	(0.00%)	(0.06)	-	-	(0.00%)	(0.06)		
Adani Agri Logistics (Barnala) Limited	0.01%	7.70	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Nakodar) Limited	0.01%	6.22	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Raman) Limited	0.00%	5.16	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Dahod) Limited	(0.00%)	(0.01)	-	-*	-	-	-	-*		
Adani Warehousing Limited	(0.00%)	(0.12)	-	-*	-	-	-	-*		
Adani Agri Logistics (Dhamora) Limited	0.01%	6.63	(0.00%)	(0.03)	-	-*	(0.00%)	(0.03)		
Adani Agri Logistics (Samastipur) Limited	0.04%	48.54	(0.00%)	(0.07)	-	-	(0.00%)	(0.07)		
Adani Agri Logistics (Darbhanga) Limited	0.03%	29.29	(0.00%)	(0.10)	-	-	(0.00%)	(0.10)		
Dermot Infracore Limited	0.14%	156.11	(0.00%)	(0.03)	-	-	(0.00%)	(0.03)		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income		Amount	Share in Total Comprehensive Income
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income			
Dhamra Infrastructure Limited	0.03%	29.85	(0.00%)	(0.08)	-	-	(0.00%)	(0.08)	(0.08)	
Adani Logistics Services Limited	0.23%	244.07	0.61%	66.94	(0.01%)	(0.04)	0.58%	66.90	66.90	
Adani Noble Limited	0.02%	19.50	0.00%	0.32	-	-	0.00%	0.32	0.32	
Adani Forwarding Agent Limited	0.82%	889.78	0.32%	35.17	-	.*	0.30%	35.17	35.17	
Adani Container Manufacturing Limited	0.00%	1.15	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)	(0.01)	
Adani Logistics Infrastructure Limited	0.00%	1.13	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)	(0.01)	
Adani Container Terminal Limited	0.00%	1.22	0.01%	0.71	-	-	0.01%	0.71	0.71	
Adani Krishnapatnam Port Limited	2.97%	3,209.93	3.90%	426.22	0.01%	0.10	3.67%	426.32	426.32	
Dighi Port Limited	0.88%	944.22	(0.25%)	(27.46)	0.05%	0.32	(0.23%)	(27.14)	(27.14)	
Sulochana Pedestal Limited	0.46%	500.97	0.00%	0.17	-	-	0.00%	0.17	0.17	
NRC Limited	0.45%	482.47	0.10%	10.61	-	-	0.09%	10.61	10.61	
Shankshwar Buildwell Limited	0.32%	342.29	(0.01%)	(0.74)	-	-	(0.01%)	(0.74)	(0.74)	
Aqua Desilting Private Limited	-	.*	-	.*	-	-	-	.*	.*	
Mundra Solar Technopark Private Limited	0.27%	287.94	(0.00%)	(0.43)	-	-	(0.00%)	(0.43)	(0.43)	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount	Amount	
Adani Tracks Management Services Limited	1.26%	1,363.77	1.59%	173.99	(0.05%)	(0.34)	1.50%	173.65		
AYN Logistics Infra Private Limited	-	-*	-	-*	-	-	-	-*		
Adani Gangavaram Port Limited	4.37%	4,714.89	6.58%	719.03	(0.02%)	(0.12)	6.19%	718.91		
Gangavaram Port Services (India) Limited	(0.00%)	(1.58)	(0.00%)	(0.53)	(0.03%)	(0.19)	(0.01%)	(0.72)		
Seabird Striparks (Krishnapatnam) Limited	(0.01%)	(7.36)	0.02%	1.89	-	-	0.02%	1.89		
HDC Bulk Terminal Limited	0.01%	11.02	(0.00%)	(0.02)	-	-	(0.00%)	(0.02)		
Savi Jana Sea Foods Private Limited	0.03%	29.39	0.01%	1.06	-	-	0.01%	1.06		
Ocean Sparkle Limited (Consolidated)	1.63%	1,754.34	2.67%	292.24	(0.17%)	(1.14)	2.51%	291.10		
Saptati Build Estate Limited	0.00%	1.73	(0.00%)	(0.07)	-	-	(0.00%)	(0.07)		
Adani Aviation Fuels Limited	0.00%	0.05	-	-*	-	-	-	-*		
Mundra LPG Terminal Private Limited	0.54%	584.61	(0.48%)	(52.67)	0.01%	0.06	(0.45%)	(52.61)		
Tajpur Sagar Port Limited	0.00%	0.04	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Sandila) Limited	0.01%	8.95	(0.00%)	(0.02)	-	-	(0.00%)	(0.02)		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Agri Logistics (Gonda) Limited	0.00%	0.08	(0.00%)	(0.02)	-	-	(0.00%)	(0.02)
Adani Agri Logistics (Chandari) Limited	0.00%	1.43	-	-*	-	-	-	-*
Adani Agri Logistics Katihar Two Limited	0.01%	9.05	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
HM Agri Logistics Limited	0.01%	6.26	-	-*	-	-	-	-*
PU Agri Logistics Limited	0.06%	67.89	-	-*	-	-	-	-*
BU Agri Logistics Limited	0.01%	12.25	-	-*	-	-	-	-*
Karaiikal Port Private Limited*	0.53%	567.69	2.13%	232.88	0.06%	0.44	2.01%	233.32
Agratas Projects Private Limited*	0.06%	69.33	-	-*	-	-	-	-*
Adrita Realtors Private Limited*	0.08%	85.55	(0.00%)	(0.16)	-	-	(0.00%)	(0.16)
Dependencia Infrastructure Private Limited*	0.13%	141.90	(0.00%)	(0.15)	-	-	(0.00%)	(0.15)
Griptronics Enterprises Private Limited*	0.07%	77.40	-	-*	-	-	-	-*
Nabhanga Enterprises Private Limited*	0.04%	46.18	-	-*	-	-	-	-*
Udanvat Leasing IFSC Limited#	0.00%	2.51	0.00%	0.01	-	-	0.00%	0.01
Mandhata Build Estate Private Limited*	0.02%	20.47	-	-*	-	-	-	-*

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Poseidon Leasing IFSC Limited#	-	-	-	-	-	-	-	-
<b>Foreign</b>								
Abbot Point Operations Pty Limited (Consolidated)	0.18%	193.50	0.38%	41.03	-	-	0.35%	41.03
Pearl Port Pte. Limited	(0.00%)	(0.32)	(0.00%)	(0.10)	-	-	(0.00%)	(0.10)
Noble Port Pte. Limited	(0.00%)	(0.32)	(0.00%)	(0.16)	-	-	(0.00%)	(0.16)
Coastal International Terminals Pte Limited (Upto May 31, 2023)	-	-	14.05%	1,535.48	-	-	13.23%	1,535.48
Anchor Port Holding Pte Limited	(0.01%)	(8.47)	(0.00%)	(0.48)	-	-	(0.00%)	(0.48)
Adani Bangladesh Ports Private Limited	0.00%	5.11	(0.00%)	(0.05)	-	-	(0.00%)	(0.05)
Adani Yangon International Terminal Company Limited (Upto May 31, 2023)	-	-	(0.01%)	(1.53)	-	-	(0.01%)	(1.53)
Adani International Ports Holdings Pte Limited	0.16%	168.73	(0.15%)	(16.61)	-	-	(0.14%)	(16.61)
Colombo West International Terminal (Private) Limited	0.76%	817.53	(0.01%)	(0.94)	-	-	(0.01%)	(0.94)
The Adani Harbour International DMCC	(0.05%)	(52.00)	(0.47%)	(51.82)	-	-	(0.45%)	(51.82)
Port Harbour Services International Pte. Limited	(0.00%)	(0.02)	(0.00%)	(0.03)	-	-	(0.00%)	(0.03)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Mediterranean International Ports A.D.G.D. Limited	2.42%	2,616.37	(1.81%)	(197.38)	-	-	(1.70%)	(197.38)		
Haifa Port Company Limited	7.12%	7,687.21	3.35%	365.91	96.51%	655.64	8.80%	1,021.55		
East Africa Gateway Limited#	0.00%	0.33	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
<b>Non-controlling interest</b>			0.06%	6.65	(1.27%)	(8.66)	(0.02%)	(2.01)		
<b>Joint Venture Entities</b>										
<b>Indian</b>										
Adani International Container Terminal Private Limited	0.63%	681.54	3.18%	347.42	(0.01%)	(0.04)	2.99%	347.38		
Adani CMA Mundra Terminal Private Limited	0.20%	213.04	1.13%	122.92	(0.00%)	(0.01)	1.06%	122.91		
Adani NYK Auto Logistics Solutions Private Limited	0.00%	0.95	(0.01%)	(1.62)	-	-	(0.01%)	(1.62)		
Adani Total Private Limited (Consolidated)	0.52%	559.38	(1.98%)	(216.80)	(5.89%)	(40.02)	(2.21%)	(256.82)		
Dighi Roha Rail Limited	(0.00%)	(0.41)	-	-	-	-	-	-		
EZR Technologies Private Limited	0.00%	0.02	-	-.*	-	-	-	-.*		
Adani KP Agriwarehousing Private Limited	0.00%	3.81	0.00%	0.20	-	-	0.00%	0.20		
Indianoil Adani Ventures Limited (Consolidated)	0.87%	939.95	0.39%	42.76	11.07%	75.22	1.02%	117.98		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd..)

₹ In crore

Name of entity	As at and for the year ended March 31, 2024							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
IOT Utkal Energy Services Limited	0.04%	44.72	0.06%	6.80	-	-	0.06%	6.80
Veracity Supply Chain Private Limited#	0.00%	0.05	-	-*	-	-	-	-*
<b>Foreign</b>								
Harbour Services Lanka (Private) Limited#	0.00%	0.05	-	-	-	-	-	-
<b>Sub total</b>	<b>100%</b>	<b>1,07,909.08</b>	<b>100%</b>	<b>10,925.77</b>	<b>100%</b>	<b>679.37</b>	<b>100%</b>	<b>11,605.14</b>
CFS Adjustments and Eliminations		(54,964.31)		(2,815.13)		(719.48)		(3,534.61)
<b>Total</b>	<b>100%</b>	<b>52,944.77</b>	<b>100%</b>	<b>8,110.64</b>	<b>100%</b>	<b>(40.11)</b>	<b>100%</b>	<b>8,070.53</b>

-\* Figures being nullified on conversion to ₹ in crore.

\* Company acquired during the year

# Company incorporated during the year.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
<b>Parent Company</b>								
Adani Ports and Special Economic Zone Limited	30.10%	28,702.69	(8.96%)	(479.43)	4.64%	6.57	(8.60%)	(472.86)
<b>Subsidiary Companies</b>								
<b>Indian</b>								
Adani Harbour Services Limited	8.58%	8,184.96	41.84%	2,239.72	0.04%	0.06	40.76%	2,239.78
Adani Hazira Port Limited	5.60%	5,337.42	20.36%	1,089.88	0.70%	0.98	19.85%	1,090.86
Adani Logistics Limited	11.54%	11,004.08	1.21%	64.86	0.48%	0.68	1.19%	65.54
The Dhamra Port Company Limited	6.78%	6,467.17	11.87%	635.56	(5.61%)	(7.95)	11.42%	627.61
Adani Petronet (Dahej) Port Limited	1.44%	1,369.25	7.21%	385.92	(0.70%)	(0.99)	7.00%	384.94
Shanti Sagar International Dredging Limited	0.73%	694.06	3.44%	184.19	0.02%	0.02	3.35%	184.21
Adani Murmugao Port Terminal Private Limited	(0.35%)	(337.50)	(0.65%)	(35.02)	0.06%	0.09	(0.64%)	(34.94)
Adani Vizag Coal Terminal Private Limited	(0.31%)	(296.21)	0.19%	10.36	-	-	0.19%	10.36
Adani Warehousing Services Limited	0.01%	10.26	0.22%	11.99	-	-	0.22%	11.99
Adani Hospitals Mundra Limited	0.00%	3.78	(0.00%)	(0.02)	0.01%	0.01	(0.00%)	(0.01)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income		Amount	as % of Consolidated Total Comprehensive Income
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income			
Mundra International Airport Limited	0.00%	1.37	(0.03%)	(1.59)	-	-	(0.03%)	(1.59)	-	(0.03%)
Mundra SEZ Textile And Apparel Park Private Limited	(0.01%)	(10.71)	(0.03%)	(1.63)	-	-	(0.03%)	(1.63)	-	(0.03%)
Adinath Polyfills Private Limited	(0.00%)	(1.70)	(0.00%)	(0.07)	-	-	(0.00%)	(0.07)	-	(0.00%)
Adani Ennore Container Terminal Private Limited	0.48%	460.81	(0.46%)	(24.47)	-	-*	(0.45%)	(24.47)	-	(0.45%)
Adani Vizhinjam Port Private Limited	2.56%	2,445.21	(0.04%)	(2.33)	-	-	(0.04%)	(2.33)	-	(0.04%)
Adani Kattupalli Port Limited	0.03%	28.34	0.05%	2.67	-	-	0.05%	2.67	-	0.05%
Karnavati Aviation Private Limited	0.34%	320.07	0.16%	8.72	(0.14%)	(0.20)	0.15%	8.52	(0.20)	0.15%
Hazira Infrastructure Limited	0.03%	25.39	(0.03%)	(1.38)	-	-	(0.03%)	(1.38)	-	(0.03%)
Adani Ports Technologies Private Limited	0.00%	0.03	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)	-	(0.00%)
Mundra Crude Oil Terminal Limited	0.57%	544.73	0.00%	0.01	-	-	0.00%	0.01	-	0.00%
Marine Infrastructure Developer Private Limited	2.21%	2,106.97	1.08%	57.75	0.10%	0.14	1.05%	57.89	0.14	1.05%
Blue Star Realtors Limited	1.56%	1,483.62	(0.04%)	(1.98)	(0.25%)	(0.36)	(0.04%)	(2.34)	(0.36)	(0.04%)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Madurai Infrastructure Limited	0.24%	233.51	(0.00%)	(0.21)	-	-	(0.00%)	(0.21)		
Dholera Port And Special Economic Zone Limited	(0.00%)	(2.78)	(0.01%)	(0.35)	-	-	(0.01%)	(0.35)		
Adani Kandla Bulk Terminal Private Limited	0.00%	3.69	12.23%	654.84	0.09%	0.13	11.92%	654.97		
Dholera Infrastructure Private Limited	(0.00%)	(3.37)	(0.01%)	(0.41)	-	-	(0.01%)	(0.41)		
Adani Agri Logistics Limited	0.79%	748.84	0.36%	19.49	0.12%	0.17	0.36%	19.66		
Adani Agri Logistics (MP) Limited	(0.00%)	(0.03)	0.00%	0.02	0.01%	0.01	0.00%	0.03		
Adani Agri Logistics (Harda) Limited	0.00%	2.30	0.01%	0.55	0.01%	0.01	0.01%	0.56		
Adani Agri Logistics (Hoshangabad) Limited	0.00%	2.33	0.01%	0.66	-	-*	0.01%	0.66		
Adani Agri Logistics (Satna) Limited	0.00%	2.38	0.02%	1.00	0.00%	0.01	0.02%	1.01		
Adani Agri Logistics (Ujjain) Limited	0.00%	3.83	0.00%	0.05	0.01%	0.02	0.00%	0.07		
Adani Agri Logistics (Dewas) Limited	0.00%	3.35	0.01%	0.30	0.01%	0.01	0.01%	0.31		
Adani Agri Logistics (Kathihar) Limited	0.01%	5.96	0.02%	1.01	-	-*	0.02%	1.01		
Adani Agri Logistics (Kotkapura) Limited	0.01%	5.13	0.02%	1.20	0.01%	0.01	0.02%	1.21		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Adani Agri Logistics (Kannauj) Limited	0.03%	33.27	(0.04%)	(1.92)	-	-*	(0.03%)	(1.92)		
Adani Agri Logistics (Panipat) Limited	0.06%	56.93	(0.03%)	(1.55)	0.03%	0.04	(0.03%)	(1.51)		
Adani Agri Logistics (Moga) Limited	0.01%	7.15	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Mansa) Limited	0.00%	3.86	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Bulk Terminals (Mundra) Limited	0.00%	0.03	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Barnala) Limited	0.01%	7.70	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Nakodar) Limited	0.01%	6.23	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Raman) Limited	0.01%	5.16	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Dahod) Limited	0.00%	1.56	-	-*	-	-	-	-*		
Adani Warehousing Limited	0.01%	6.53	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Adani Agri Logistics (Dhamora) Limited	0.01%	6.66	(0.04%)	(1.93)	-	-*	(0.04%)	(1.93)		
Adani Agri Logistics (Samastipur) Limited	0.05%	48.61	0.00%	0.05	-	-	0.00%	0.05		
Adani Agri Logistics (Darbhanga) Limited	0.03%	29.39	(0.00%)	(0.04)	-	-	(0.00%)	(0.04)		
Dermot Infracore Limited	0.15%	144.83	(0.00%)	(0.09)	-	-	(0.00%)	(0.09)		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income		Share in Total Comprehensive Income	Amount
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income			
Dhamra Infrastructure Limited	0.03%	29.79	(0.00%)	(0.08)	-	-	(0.00%)	(0.08)	(0.08)	
Adani Logistics Services Limited	0.45%	427.16	1.27%	67.78	0.02%	0.03	1.23%	67.81	67.81	
Adani Noble Limited	0.02%	19.18	0.01%	0.37	-	-	0.01%	0.37	0.37	
Adani Forwarding Agent Limited	0.90%	854.62	0.31%	16.80	-	-*	0.31%	16.80	16.80	
Adani Container Manufacturing Limited	0.00%	1.15	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)	(0.01)	
Adani Logistics Infrastructure Limited	0.00%	1.13	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)	(0.01)	
Adani Container Terminal Limited	0.00%	0.51	0.01%	0.47	-	-	0.01%	0.47	0.47	
Adani Krishnapatnam Port Limited	2.92%	2,783.63	11.59%	620.74	77.77%	110.18	13.30%	730.92	730.92	
Adani Krishnapatnam Container Terminal Private Limited (refer note 31)	-	-	-	-	-	-	-	-	-	
Dighi Port Limited	0.92%	880.13	(0.68%)	(36.39)	0.08%	0.12	(0.66%)	(36.27)	(36.27)	
Sulochana Pedestal Limited	0.46%	442.74	0.01%	0.29	-	-	0.01%	0.29	0.29	
NRC Limited	0.43%	413.84	1.36%	73.07	-	-	1.33%	73.07	73.07	
Shankeshwar Buildwell Limited	0.34%	324.16	(0.01%)	(0.50)	-	-	(0.01%)	(0.50)	(0.50)	
Aqua Desilting Private Limited	-	-*	-	-*	-	-	-	-*	-*	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Mundra Solar Technopark Private Limited	0.41%	393.37	0.58%	31.26	-	-	0.57%	31.26		
Adani Tracks Management Services Limited	1.25%	1,190.11	5.30%	283.98	0.00%	0.01	5.17%	283.99		
AYN Logistics Infra Private Limited	0.00%	0.01	-	-*	-	-	-	-*		
Adani Gangavaram Port Limited	5.76%	5,495.98	12.06%	645.57	0.13%	0.19	11.75%	645.76		
Gangavaram Port Services (India) Limited	(0.00%)	(0.86)	(0.01%)	(0.54)	0.69%	0.98	0.01%	0.44		
Seabird Striparks (Krishnapatnam) Limited	(0.01%)	(9.25)	(0.15%)	(8.15)	-	-	(0.15%)	(8.15)		
HDC Bulk Terminal Limited	0.00%	0.04	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)		
Savi Jana Sea Foods Private Limited	0.03%	28.35	0.33%	17.67	-	-	0.32%	17.67		
Ocean Sparkle Limited (Consolidated)	1.53%	1,463.23	3.65%	195.39	4.83%	6.84	3.68%	202.23		
Saptati Buid Estate Limited	0.00%	1.80	0.03%	1.80	-	-	0.03%	1.80		
Adani Aviation Fuels Limited	0.00%	0.05	-	-*	-	-	-	-*		
Mundra LPG Terminal Private Limited	0.67%	637.22	(0.80%)	(42.82)	0.02%	0.03	(0.78%)	(42.79)		
Tajpur Sagar Port Limited	0.00%	0.05	-	-*	-	-	-	-*		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Adani Agri Logistics (Sandila) Limited	0.00%	0.05	-	-*	-	-	-	-	-*	-
Adani Agri Logistics (Gonda) Limited	0.00%	0.04	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)	(0.01)	(0.01)
Adani Agri Logistics (Chandari) Limited	0.00%	0.04	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)	(0.01)	(0.01)
Adani Agri Logistics Katihar Two Limited	0.00%	0.05	-	-*	-	-	-	-	-*	-
HM Agri Logistics Limited	0.00%	0.05	-	-	-	-	-	-	-	-
PU Agri Logistics Limited	0.00%	0.05	-	-	-	-	-	-	-	-
BU Agri Logistics Limited	0.00%	0.05	-	-	-	-	-	-	-	-
<b>Foreign</b>										
Abbot Point Operations Pty Limited (Consolidated)	0.16%	155.20	0.70%	37.52	-	-	0.68%	37.52		
Pearl Port Pte. Limited	(0.00%)	(0.22)	(0.00%)	(0.07)	-	-	(0.00%)	(0.07)	(0.07)	(0.07)
Noble Port Pte. Limited	(0.00%)	(0.16)	(0.00%)	(0.04)	-	-	(0.00%)	(0.04)	(0.04)	(0.04)
Coastal International Terminals Pte Limited	(1.64%)	(1,562.09)	(27.14%)	(1,453.17)	-	-	(26.44%)	(1,453.17)	(1,453.17)	(1,453.17)
Anchor Port Holding Pte Limited	(0.01%)	(7.87)	(0.01%)	(0.40)	-	-	(0.01%)	(0.40)	(0.40)	(0.40)
Adani Bangladesh Ports Private Limited	0.01%	5.25	0.00%	0.05	-	-	0.00%	0.05	0.05	0.05
Adani Yangon International Terminal Company Limited	0.37%	353.90	(0.03%)	(1.79)	-	-	(0.03%)	(1.79)	(1.79)	(1.79)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Adani Logistics International Pte Limited (upto July 28, 2022)	-	-	-	-	-	-	-	-	-	-
Adani International Ports Holdings Pte Limited	0.19%	182.72	1.50%	80.45	-	-	1.46%	80.45		
Colombo West International Terminal (Private) Limited	0.43%	411.61	(0.05%)	(2.51)	-	-	(0.05%)	(2.51)		
The Adani Harbour International DMCC	(0.00%)	(0.91)	(0.02%)	(1.10)	-	-	(0.02%)	(1.10)		
Port Harbour Services International Pte. Limited	0.00%	0.01	-	-	-	-	-	-		
Mediterranean International Ports A.D.G.D. Limited	2.82%	2,692.56	(2.33%)	(124.82)	-	-	(2.27%)	(124.82)		
Haifa Port Company Limited	7.34%	7,000.95	(0.08%)	(4.50)	6.44%	9.12	0.08%	4.62		
<b>Non-controlling interest</b>	<b>(1.43%)</b>	<b>(1,361.06)</b>	<b>(1.53%)</b>	<b>(82.00)</b>	<b>(4.36%)</b>	<b>(6.18)</b>	<b>(1.60%)</b>	<b>(88.18)</b>		
<b>Joint Venture Entities</b>										
<b>Indian</b>										
Adani International Container Terminal Private Limited	0.57%	543.61	2.45%	131.07	0.06%	0.09	2.39%	131.16		
Adani CMA Mundra Terminal Private Limited	0.09%	90.13	0.85%	45.34	0.06%	0.08	0.83%	45.42		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

₹ In crore

Name of entity	As at and for the year ended March 31, 2023									
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount		
Adani NYK Auto Logistics Solutions Private Limited	0.00%	2.56	(0.02%)	(1.21)	-	-	(0.02%)	(1.21)		
Adani Total Private Limited (Consolidated)	0.71%	678.47	0.66%	35.37	14.66%	20.77	1.02%	56.14		
Dighi Roha Rail Limited	(0.00%)	(0.41)	-	-	-	-	-	-		
EZR Technologies Private Limited	0.00%	0.02	-	.*	-	-	-	.*		
Adani KP Agriwarehousing Private Limited	0.00%	3.61	0.00%	0.18	-	-	0.00%	0.18		
Indianoil Adani Ventures Limited (Consolidated)	0.85%	814.85	0.21%	11.01	(0.03%)	(0.04)	0.20%	10.97		
IOT UtkaI Energy Services Limited	0.08%	77.65	0.02%	1.33	-	-	0.02%	1.33		
<b>Sub total</b>	<b>100%</b>	<b>95,366.03</b>	<b>100%</b>	<b>5,353.69</b>	<b>100%</b>	<b>141.67</b>	<b>100%</b>	<b>5,495.36</b>		
CFS Adjustments and Eliminations		(49,810.11)		(44.84)		(705.18)		(750.02)		
<b>Total</b>	<b>100%</b>	<b>45,555.92</b>	<b>100%</b>	<b>5,308.85</b>	<b>100%</b>	<b>(563.51)</b>	<b>100%</b>	<b>4,745.34</b>		

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

**42** The Company had entered into preliminary agreement dated September 30, 2014 with a party for development and maintenance of Liquefied Natural Gas ("LNG") terminal infrastructure facilities at Mundra ("the LNG Project"). During the year ended March 31, 2020, due to the disputes between the Company and Customer with respect to construction, operation and maintenance of the LNG Project, part of the cost has been capitalised in Property, Plant and Equipment, Interim Settlement and Arbitration Agreement dated December 24, 2019 was executed. Pursuant thereto, ₹ 666 crore has been received and arbitration has been invoked by the Company. On July 08, 2020, the Company has filed its claim before Arbitral Tribunal. On October 07, 2020, the customer has also filed counter claim before Arbitral Tribunal. Pending further developments, no adjustments has been made till March 31, 2024.

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

**44** Adani Murmugao Port Terminal Private Limited ("AMPTPL") was undergoing an arbitration with Murmugao Port Trust ("MPT") for revenue share on deemed storage charges and loss of return of capital to AMPTPL due to failure of MPT to fulfil obligations as per concession agreement for a period till financial year 2018-19. Post financial year 2018-19, AMPTPL has received relief in terms of rationalized tariff on storage charges up to March 2020 from authorities and had filed application for similar relief for subsequent year and awaiting approval.

During the previous year, the arbitration had been concluded which affirmed partial claim of AMPTPL for the loss of return on capital and also upheld revenue share on deemed storage for three-year period. In earlier years, AMPTPL had made provision of ₹ 134.61 crore for the revenue share on deemed storage charges against which ₹ 40.50 crore would have been payable as per the arbitration order. Both the parties have challenged the arbitration order in commercial court in the month of August 2022.

During the current year, the Conciliation and Settlement Committee was constituted under the Arbitration and Conciliation Act, 1996. The Committee held physical meeting individually and jointly with both the parties.

Considering the matter being sub-judice at this stage, no adjustments based on arbitration order has been considered in the current financial statements.

## 45 Impairment testing of Goodwill

Goodwill acquired through acquisitions and business combinations pertains to following Cash Generating Units (CGUs).

Particulars	₹ in crore	
	As at March 31, 2024	As at March 31, 2023
The Dhamra Port Company Limited	2,559.31	2,559.31
Adani Kandla Bulk Terminal Private Limited	0.06	0.06
Abbot Point Bulkcoal Pty Limited	2.18	2.21
Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Limited)	20.53	20.53
Adani Petronet (Dahej) Port Limited	0.22	0.22
Adani Logistics Limited	2.71	2.71
Adinath Polyfills Private Limited	37.42	37.42
Marine Infrastructure Developer Private Limited	143.26	143.26

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 45 Impairment testing of Goodwill (Contd...)

Particulars	₹ in crore	
	As at March 31, 2024	As at March 31, 2023
Adani Agri Logistics Limited and its subsidiaries	455.84	455.84
Dermot Infracon Limited (Formerly known as Dermot Infracon Private Limited)	0.02	0.02
Adani Logistics Services Limited (Formerly known as Adani Logistics Services Private Limited) and its subsidiaries	20.17	20.17
Adani Krishnapatnam Port Limited and its subsidiaries	760.41	760.41
Mundra Solar Technopark Private Limited	93.14	93.14
Adani Tracks Management Services Limited (Formerly known as Adani Tracks Management Services Private Limited) pursuant to Composite Scheme	1,777.64	1,777.64
Adani Gangavaram Port Limited	790.86	790.86
Gangavaram Port Services (India) Limited (Formerly known as Gangavaram Port Services (India) Private Limited)	2.69	2.69
Mundra LPG Terminal Private Limited	56.85	56.85
Adani Forwarding Agent Limited (Formerly known as Adani Forwarding Agent Private Limited)	23.02	23.02
Haifa Port Company Limited (Refer note 39(i))	115.74	116.25
Goodwill on Merger of Adani Port Limited	44.86	44.86
<b>Total</b>	<b>6,906.93</b>	<b>6,907.47</b>

### Notes:

The goodwill is tested for impairment annually and as at March 31, 2024, the goodwill was not impaired.

The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates ranging from 5% to 20%.

The rates used to discount the forecasts is 7.5% to 14%.p.a.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount ₹ 6,906.93 crore (net of deferred tax liability ₹ 4,561.47 crore) to exceed its recoverable amount.

**46** Adani Vizhinjam Port Private Limited ("AVPPL"), a wholly owned subsidiary of the Company was awarded Concession Agreement ("CA") dated August 17, 2015 by Government of Kerala ("GoK") for development of Vizhinjam International Deepwater Multipurpose Seaport ("Project"). In terms of the CA the scheduled Commercial Operation Date ("COD") of the Project was December 03, 2019 extendable to August 30, 2020 with certain conditions. On February 23, 2024, settlement agreement was signed wherein both parties decided to move out of arbitration which was initiated on November 07, 2020. GoK has granted unconditional extension of the scheduled completion date up to December 03, 2024.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

**47** Pursuant to Build, own, operate agreement with Food corporation of India (FCI), subsidiary company Adani Agri Logistics Limited ("AALL") developed a field depot on leasehold land owned by eastern railways (lessor), upon expiry of the lease agreement, the lessor could not renew lease agreement and consequently AALL could not transport food grains at same depot. This resulted in FCI stopping payment for revenues. Accordingly AALL has stopped recognizing the revenue for the said period.

Now, under PM Gati Shakti framework, the Indian Railway introduced new Policy named "Policy for Management of Railway Land" dated 04.10.2022, whereby, Railway may grant Railway land on lease to the private entities for a period of 35 years. The Policy also permitted the existing users to migrate to the new Policy.

Accordingly, under the new Railway Policy, AALL have submitted application to the Eastern Railway to extend the land lease in Bandel.

Railway has accepted request of AALL and has extended the land lease for an initial period of 5 years w.e.f. 01.04.2023 which will be extendable by every 5 years upto a maximum of 35 years. Accordingly, the Land Lease Agreement has been signed between Eastern Railway and Adani Agri Logistics Limited on March 27, 2023.

AALL has submitted letters to FCI and Food Ministry on the above development. FCI has written to Ministry to grant approval for start of operations in Bandel. During the current year, operation has been started in Bandel w.e.f. August, 2023 after due approval from FCI.

**48** The subsidiary company Adani Agri Logistics Limited ("AALL") had entered into an Agreement with FCI on June 28, 2005 for a concession period of 20 years from "Operations Date", whereby it was supposed to develop Silo Terminals with Railway Sidings on BOO basis and procure specialized Rail wagons within 3 years. AALL installed and commissioned two largest units i.e., Moga (Punjab) and Kaithal (Haryana) having Silos of 200000 MT capacity each within a period of 2 years in 2007 i.e., much before the deadline of 3 years and put to the service of FCI. Subsequent units of Navi Mumbai, Hooghly, Chennai, Coimbatore and Bangalore were commissioned in 2008 & 2009. For the delay in execution of these units, AALL had duly paid liquidated damages to FCI as per the contract terms. One of the obligations to be fulfilled by AALL was to provide certain number of specialized wagons (i.e., Rakes) to facilitate the bulk movement of food grain stocks from producing areas of Moga and Kaithal to the consuming areas. Since this was a pilot project and specialized wagons were being introduced for the first time in India, number of rakes required for the project remained a debatable issue between RITES (the consultants) and Railway Board. AALL initially procured 260 wagons i.e., 5 rakes. However, FCI insisted for 364 wagons i.e., 7 rakes. Eventually, AALL procured 104 more wagons i.e., two more rakes to make total of 7 rakes on September 28, 2013. Meanwhile, AALL continued serving FCI to the full capacity during this period. As per contract, FCI was supposed to give Annual Guaranteed Tonnage (AGT) and WPI based escalation in service charges. Since FCI considered September 28, 2013 as the actual "Operations date" when the project was 100% complete, they did not give WPI escalation to AALL for the period from 2007 till September 28, 2013. FCI also did not give Guaranteed Tonnage for this period. FCI kept this period on Actual Utilization Basis (AUB). Also, FCI kept the 20 years' Concession Period from 2007 till 2027. As per Agreement terms, the AGT will be reduced from 100% to 75% from 11<sup>th</sup> year of operations. Since FCI considered 2007 as first year of operations, the AGT was reduced to 75% from 2017 i.e., 11<sup>th</sup> year of operations. After a series of deliberations and consultations with FCI, the matter was referred to Arbitration Tribunal, AALL prayed as follows:

- a) FCI should pay WPI based escalation from 2007 as AALL had been providing uninterrupted services to FCI since beginning. WPI is kept to absorb inflation irrespective of the fact that the unit was on AGT or AUB.
- b) Alternatively, if FCI considers September 28, 2013 as "Operations Date", the 20 years' Concession Period should be fixed from 2013 till 2033.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

On October 2, 2021 Arbitral Award was pronounced in the favor of company, as per the award Service Period in terms of Clause 4.1 of the Service Agreement (20 years) must be reckoned from 28.09.2013 as a result of which company's concession period has been extended by 6 years upto 2033. Further FCI has filed appeal against the Arbitral Award in High Court. Matter is pending before Delhi High Court. Honorable Delhi High Court has given their verdict in favour of AALL dated December 22, 2023 by stating that COD date would be 28.09.2013.

**49** Effective from July 01, 2022, the Group, in line with its updated risk management approach, has designated highly probable foreign currency forecasted revenues as hedge item and non-derivative foreign currency financial liability of equivalent amount as hedging instrument under Cash Flow Hedge relationship. The amount parked in Other Comprehensive Income will be recycled to the Statement of Profit and loss as and when the underlying forecasted transactions occur. Gain/(loss) on foreign currency fluctuation on undesignated portion of foreign currency financial liabilities, ineffective portion of hedge and recycled amount from Other Comprehensive Income are recognised in Statement of Profit and Loss.

**50** Based on information available with the Group, balances with Struck off Companies are as below

₹ In crore

Name of the struck off Company	Nature of transactions with struck off Company	Balance outstanding as at March 31, 2024	Relationship with the struck off company, if any, to be disclosed
Deepika Electronics And Engineering Private Limited	Purchase of materials	0.04	Vendor
Five Star Stevedores Private Limited	Service availed	0.02	Vendor
Imc Control India And Loss Assayers Private Limited	Service availed	0.43	Vendor
Sumeet Silk Mills	Sundry Debtors	*	Customer
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customers	*	Customer
Maritime Freight And Allied Services Private Limited	Deposit from Customers	*	Customer
Transmarine Agencies India Private Limited	Deposit from Customers	0.02	Customer
Ocean Shell Projects Private Limited	Deposit from Customers	0.03	Customer
Kothari Intergroup Limited	NA	NA	Share Holder
Rls Advisory Private Limited	NA	NA	Share Holder
Pooja Shares And Management Services Private Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in crore

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 50 Based on information available with the Group, balances with Struck off Companies are as below (Contd...)

₹ In crore

Name of the struck off Company	Nature of transactions with struck off Company	Balance outstanding as at March 31, 2023	Relationship with the struck off company, if any, to be disclosed
Benchmark Supply Chain Solution Private Limited	Advance received	*	Customer
Cleford Shipping Company	Receivables	*	Customer
Deepika Electronics & Engineering Private Limited	Purchase of materials	0.04	Vendor
Five Star Stevedores Private Limited	Service availed	0.02	Vendor
Map Logistics Private Limited	Deposit from Customer	*	Customer
Metro Creative Concepts Private Limited	Payables	*	Vendor
Ocean Shell Projects Private Limited	Deposit from Customer	0.03	Customer
Ocean Shell Projects Private Limited	Receivables	*	Customer
Quest Logistics Private Limited	Service availed	*	Customer
Ramnath And Company Private Limited	Advance from Customer	*	Customer
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Sumeet Silk Mills	Advance received	*	Customer
Transmarine Agencies India Private Limited	Deposit from Customer	0.02	Customer
Kothari Intergroup Limited	NA	NA	Share Holder
RI's Advisory Private Limited	NA	NA	Share Holder
Pooja Shares And Management Services Private Limited	NA	NA	Share Holder
Kautilya Venture Capital Company Limited	NA	NA	Share Holder
Adi Logistics Private Limited	Rendering of Service	0.16	Customer
Apex Cargo Movers & Services Private Limited	Rendering of Service	0.13	Customer

\* Figures being nullified on conversion to ₹ in crore

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

### 51 Details of the funds loaned or invested by the Group to Intermediaries for further Loan or investment to the Ultimate beneficiaries

For the year ended March 31, 2024

₹ In crore

Name of the intermediary to which the funds are Loaned or Invested	Date on which funds are Loaned or Invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further Loaned or Invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Adani International Ports Holdings Pte Limited	April 05, 2023	104.52	April 6, 2023	104.52	Colombo West International Terminal (Private) Limited
Adani International Ports Holdings Pte Limited	May 22, 2023	97.37	May 23, 2023	97.37	Colombo West International Terminal (Private) Limited
Adani International Ports Holdings Pte Limited	March 20, 2024	282.23	March 27, 2024	282.23	Colombo West International Terminal (Private) Limited
Anchor Port Holding Pte Limited	May 18, 2023	0.19	October 10, 2023	0.19	Noble Port Pte Limited
	October 05, 2023	0.17	October 10, 2023	0.17	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 51 Details of the funds loaned or invested by the Group to Intermediaries for further Loan or investment to the Ultimate beneficiaries (Contd...)

For the year ended March 31, 2023

₹ In crore

Name of the intermediary to which the funds are Loaned or Invested	Date on which funds are Loaned or Invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further Loaned or Invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte Limited	May 10, 2022	5.90	July 28, 2022	1.20	Adani Yangon International Terminal Company Limited
			August 22, 2022	1.19	
			September 7, 2022	0.01	
			September 12, 2022	0.11	
			September 14, 2022	0.28	
			September 19, 2022	0.55	
			September 22, 2022	0.01	
			September 23, 2022	1.84	
	June 15, 2022	3.12	November 7, 2022	0.71	
			November 7, 2022	2.06	
	November 4, 2022	36.58	November 9, 2022	1.06	
			November 9, 2022	4.20	
			November 14, 2022	5.40	
			November 17, 2022	5.58	
			November 23, 2022	5.39	
			December 1, 2022	5.48	
			January 25, 2023	0.19	
			January 26, 2023	3.63	
			January 26, 2023	2.56	
			January 26, 2023	1.46	
February 1, 2023			0.02		
February 1, 2023			0.13		
February 6, 2023	0.07				
February 23, 2023	0.82				
March 15, 2023	1.65				
Adani International Ports Holdings Pte Limited	July 22, 2022	3.19	July 29, 2022	3.19	Colombo West International Terminal (Private) Limited
	August 5, 2022	35.58	August 8, 2022	35.58	
	November 15, 2022	18.67	November 17, 2022	18.67	

### Note :

- In above figures, foreign currency values are converted into INR on respective dates.
- The Group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## 51 Details of the funds loaned or invested by the Group to Intermediaries for further Loan or investment to the Ultimate beneficiaries (Contd...)

### Complete details of the intermediary and Ultimate Beneficiary

Name of the entity	Registered Address	Relationship with the Company
Coastal International Terminals Pte Limited	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary (Upto May 31, 2023)
Adani International Ports Holdings Pte Limited	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary
Anchor Port Holding Pte Ltd	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary
Adani Yangon International Terminal Company Limited	Plot No. 23 G/4 , 23R/ 2A, Ahlon Port Compound Ahlon Township, Yangon, Myanmar	Stepdown Subsidiary (Upto May 31, 2023)
Colombo West International Terminal (Private) Limited	117, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, Sri Lanka	Stepdown Subsidiary
Noble Port Pte Limited	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Stepdown Subsidiary

## 52 Statutory information

- (i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- (ii) The Group was not required to file quarterly statement/returns of current assets with the banks or financial institutions w.r.t. secured working capital borrowings.
- (iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Group is not declared willful defaulter by any bank or financials institution or lender during the year.
- (v) The Group 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.

## 53 Standards 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.

**54** During the previous financial year 2022-23, a Short Seller Report ("SSR") was published in which certain allegations were made 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 on 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 SSR. 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

During the year, show cause notices were received from SEBI alleging (i) non-compliance of provisions pertaining to related party transactions under applicable regulations including the Listing Agreement and LODR Regulations with regard to the transactions entered in the earlier years with certain parties, essentially, from a substance-over-form perspective. The allegations are that the company has not obtained the requisite approvals, and have not made the required disclosure in the financial statements / annual report (ii) Not recalling security deposits against terminated contracts leading to not using the funds for company's core business purposes and thus not complying with the company's code of conduct.

The amounts dues in respect of these transactions along with interest thereon have been received in full before March 31, 2023 and there are no transactions with these parties in the current financial year and there are no losses suffered by the Company.

In April 2023, the Company had obtained a legal opinion by an independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Group, under applicable frameworks; and (b) the Group is in compliance with the requirements of applicable laws and regulations.

In its replies to SEBI, the Company has denied the charges in its entirety, inter alia, on the basis that these transactions are in full compliance with the prevailing laws and regulations.

Pending outcome of the adjudications, the Company holds to its view of the validity of the nature and effect of the transactions. Accordingly, no adjustments have been made in the financial statements of the Company.

**55** During the current year, in line with guidance from the risk management committee and continued US Sanctions in Myanmar, the Group divested its investment in container terminal under construction in Myanmar (held through an overseas subsidiary) to Solar Energy Limited, an unrelated party (During the current year, the Group has also opted an independent expert opinion confirming the same) for consideration of US\$ 30 million and consequently the overseas subsidiary as referred above ceased to be the subsidiary of the company. The Group has recorded write off on sale of investment against impairment provision of ₹ 1,273.38 crore in the previous financial year 2022-23.

**56** Exceptional items during the year ended March 31, 2024 includes following:-

- (a) Expenses of ₹ 215.90 crore incurred with regards to one time settlement (Voluntary Retirement Plan) opted by employees of one of the foreign subsidiaries.
- (b) Reclassification adjustment pertaining to transfer of foreign currency translation reserve amounting to ₹ 157.80 crore from other comprehensive income to profit and loss account as per requirement of Ind AS framework.

**57** Under the new tax regime, Section 115BBA of the Income Tax Act 1961, a Company can elect to switch to the lower tax rate of 22% plus applicable surcharge and cess as against 30% plus applicable surcharge and cess in the existing regime.

A subsidiary Company has elected to adopt New Tax Regime from financial year 2022-23 onwards considering the recent management estimation of the taxable profit in future. Upon adoption of New Tax Regime w.e.f. financial year 2022-23, the MAT credit balance (which is not eligible to be carried forward in terms of the New Tax regime) of ₹ 455.16 crore (Net of tax provision of ₹ 135.41 crore), up to March 31, 2023, has been expensed and net impact of the above is shown as exceptional tax expense in the current year.

**58** The Ahmedabad Bench and Hyderabad Bench of the National Company Law Tribunal ("NCLT"), through their orders dated September 21, 2022 and October 10, 2022 respectively, have approved the Composite Scheme of Arrangement between the Company, Gangavaram Port Limited ("GPL"), Adani Gangavaram Port Limited (Formerly known as Adani Gangavaram Port Private Limited) ("AGPL" – a wholly owned subsidiary of the Company) and their respective shareholders and creditors (the 'Scheme').

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Pursuant to the Scheme, Company had issued 159 fully paid-up equity shares of APSEZ for 1,000 fully paid-up equity shares held by such member in GPL ("Share Exchange Ratio"). Accordingly, Company has allotted 4,77,65,715 equity shares having face value of ₹ 2 each at an issue price of ₹ 754.78 per share to the erstwhile promoters of Gangavaram Port Limited on October 19, 2022. However the same have been considered while calculating the Basic and Diluted Earnings per Share for the previous year.

- 59** The Group effectively owns 70% stake of the Haifa Port, Israel and is closely monitoring the ongoing war situation which is now only restricted to a concentrated area. Further the Group is not having any adverse implications on the operations upto the date of issuance of Company's Consolidated Financial Statements.
- 60** The Company has entered into Share Purchase Agreement on December 14, 2023 with Mundi Limited, a subsidiary of Terminal Investment Limited and an associate of Mediterranean Shipping Company for divestment, of 49% stake in Adani Ennore Container Terminal Private Limited a subsidiary of the Company for consideration of ₹ 247 crore. The divestment will be accounted on fulfillment of condition precedents.
- 61** The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 02, 2024.
- 62** The Company has entered into a binding agreement to acquire 95% stake of Gopalpur Port Limited with an enterprise value of ₹ 3,080 crore subject to requisite approvals and conditions precedents.

## 63 Events occurred after the Balance Sheet Date

The Board of Directors of the Company has recommended Equity dividend of ₹ 6 per equity share (previous year ₹ 5 per equity share).

As per our report of even date

**For M S K A & Associates**  
Chartered Accountants  
Firm Registration Number : 105047W

**Samip Shah**  
Partner  
Membership No. 128531

Place : Ahmedabad  
Date : May 02, 2024

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

**Gautam S. Adani**  
Chairman  
DIN : 00006273

**D. Muthukumaran**  
Chief Financial Officer

Date : May 02, 2024

**Karan Adani**  
Managing Director  
DIN : 03088095

**Kamlesh Bhagia**  
Company Secretary

**Ashwani Gupta**  
Wholetime Director & CEO  
DIN : 10455435

# FORM - AOC - 1

## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014 PART "A" :- Subsidiaries

₹ in crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
1	Adani Harbour Services Limited	2023-24	INR	57.69	10,734.79	11,588.57	796.09	-	2,737.40	2,697.70	2,607.59	(0.07)	2,607.52	-	100%
2	Adani Hazira Port Limited	2023-24	INR	715.47	5,685.46	6,779.49	378.56	-	1,642.81	1,110.01	1,063.42	0.09	1,063.51	-	100%
3	Adani Logistics Limited	2023-24	INR	655.00	11,900.85	17,235.90	4,680.05	1,391.47	1,309.32	37.03	27.62	0.11	27.73	-	100%
4	The Dhamra Port Company Limited	2023-24	INR	1,148.00	5,110.46	6,938.04	679.58	-	2,027.97	1,026.94	991.36	(0.07)	991.29	-	100%
5	Adani Petronet (Dahe) Port Limited	2023-24	INR	346.15	1,409.64	1,830.54	74.75	22.37	634.88	393.38	381.72	4.82	386.54	155.77	74%
6	Shanti Sagar International Dredging Limited	2023-24	INR	135.05	761.94	1,270.14	373.15	-	492.16	207.10	202.96	(0.03)	202.93	-	100%
7	Adani Murugao Port Terminal Private Limited	2023-24	INR	115.89	(448.46)	354.19	686.76	-	144.28	4.91	4.91	0.02	4.93	-	100%
8	Adani Vizag Coal Terminal Private Limited	2023-24	INR	101.28	(363.77)	218.76	481.25	-	40.00	33.72	33.72	-	33.72	-	100%
9	Adani Warehousing Services Limited	2023-24	INR	0.05	10.87	13.71	2.79	-	17.48	0.90	0.66	-	0.66	-	100%
10	Adani Hospitals Mundra Limited	2023-24	INR	0.30	4.60	8.01	3.11	-	14.73	1.26	1.13	(0.01)	1.12	-	100%
11	Mundra International Airport Limited	2023-24	INR	3.50	(4.47)	6.47	7.44	*	1.68	(2.34)	(2.34)	-	(2.34)	-	100%
12	Mundra SEZ Textile And Apparel Park Private Limited	2023-24	INR	4.91	(15.25)	31.63	41.97	-	5.16	0.37	0.37	-	0.37	-	55.28%
13	Adinath Polyfills Private Limited	2023-24	INR	0.12	(2.84)	0.09	2.81	-	-	(0.07)	(1.02)	-	(1.02)	-	100%
14	Adani Ennore Container Terminal Private Limited	2023-24	INR	315.00	(398.36)	768.79	852.15	0.01	259.79	(23.14)	(23.28)	(0.01)	(23.29)	-	100%
15	Adani Vizhinjam Port Private Limited	2023-24	INR	897.00	1,548.31	4,747.67	2,302.36	0.67	-	0.10	0.10	-	0.10	-	100%
16	Adani Kattupalli Port Limited	2023-24	INR	0.05	34.03	38.55	4.47	-	18.87	7.88	5.74	-	5.74	-	100%
17	Karnavati Aviation Private Limited	2023-24	INR	45.00	283.55	995.19	666.64	-	223.53	8.90	8.90	(0.41)	8.49	-	100%
18	Hazira Infrastructure Limited	2023-24	INR	24.20	2.04	26.25	0.01	-	-	1.16	0.84	-	0.84	-	100%
19	Adani Ports Technologies Private Limited	2023-24	INR	0.05	*	0.05	*	0.03	-	*	*	-	*	-	100%
20	Mundra Crude Oil Terminal Limited	2023-24	INR	0.05	564.02	610.08	46.01	-	-	(0.03)	(0.03)	-	(0.03)	-	100%
21	Marine Infrastructure Developer Private Limited	2023-24	INR	400.00	1,779.22	2,502.19	322.97	0.01	321.61	97.44	72.05	0.19	72.24	-	97%
22	Blue Star Realtors Limited	2023-24	INR	6.91	4,758.13	4,789.64	24.60	-	8.45	(4.10)	(4.10)	0.36	(3.74)	-	100%
23	Madurai Infrastructure Limited	2023-24	INR	0.05	233.34	233.42	0.03	-	-	(0.45)	(0.45)	-	(0.45)	-	100%

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

Integrated Annual Report 2023-24

FORM - AOC - 1  
PART 'A' :- Subsidiaries (Contd...)

₹ in crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
24	Dholera Port And Special Economic Zone Limited	2023-24	INR	1.61	(4.66)	0.15	3.20	-	-	(0.27)	(0.27)	-	(0.27)	-	49%
25	Adani Kandla Bulk Terminal Private Limited	2023-24	INR	120.05	(182.23)	679.04	741.22	-	271.76	(65.88)	(65.88)	-*	(65.88)	-	100%
26	Dholera Infrastructure Private Limited	2023-24	INR	0.01	(3.69)	0.05	3.73	-	-	(0.31)	(0.31)	-	(0.31)	-	49%
27	Adani Agri Logistics Limited	2023-24	INR	99.83	784.81	1,108.06	223.42	-	104.40	35.30	26.25	(0.02)	26.23	-	100%
28	Adani Agri Logistics (MP) Limited	2023-24	INR	1.00	(1.02)	8.46	8.48	-	2.20	0.01	0.01	-*	0.01	-	100%
29	Adani Agri Logistics (Harda) Limited	2023-24	INR	1.00	1.71	9.56	6.85	-	1.50	0.47	0.40	-*	0.40	-	100%
30	Adani Agri Logistics (Hoshangabad) Limited	2023-24	INR	1.00	1.85	9.62	6.77	-	2.15	0.62	0.52	-*	0.52	-	100%
31	Adani Agri Logistics (Satna) Limited	2023-24	INR	1.00	1.91	9.16	6.25	-	1.91	0.62	0.52	-*	0.52	-	100%
32	Adani Agri Logistics (Ujjain) Limited	2023-24	INR	1.00	(1.58)	5.75	6.33	-	2.22	0.45	0.45	-*	0.45	-	100%
33	Adani Agri Logistics (Dewas) Limited	2023-24	INR	1.00	2.74	6.97	3.23	-	2.21	0.47	0.39	-*	0.39	-	100%
34	Adani Agri Logistics (Kathiwar) Limited	2023-24	INR	1.00	13.10	47.25	33.15	-	3.11	1.60	1.46	-*	1.46	-	100%
35	Adani Agri Logistics (Kotkapura) Limited	2023-24	INR	1.00	5.07	21.14	15.07	-	1.73	1.58	0.95	-*	0.95	-	100%
36	Adani Agri Logistics (Kannau) Limited	2023-24	INR	1.00	31.83	91.75	58.92	-	8.03	(1.46)	(1.46)	-*	(1.46)	-	100%
37	Adani Agri Logistics (Panipat) Limited	2023-24	INR	1.00	48.58	131.44	81.86	-	4.36	(7.63)	(7.63)	(0.01)	(7.64)	-	100%
38	Adani Agri Logistics (Moga) Limited	2023-24	INR	1.00	6.15	7.16	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
39	Adani Agri Logistics (Mansa) Limited	2023-24	INR	1.00	2.85	3.86	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
40	Adani Bulk Terminals (Mundra) Limited	2023-24	INR	1.00	(1.22)	519.52	519.74	-	-	(0.06)	(0.06)	-	(0.06)	-	100%
41	Adani Agri Logistics (Barnala) Limited	2023-24	INR	1.00	6.70	7.71	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
42	Adani Agri Logistics (Nakodar) Limited	2023-24	INR	1.00	5.22	6.23	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
43	Adani Agri Logistics (Raman) Limited	2023-24	INR	1.00	4.16	5.17	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
44	Adani Agri Logistics (Dahod) Limited	2023-24	INR	0.05	(0.06)	-*	0.01	-	-	-*	-*	-	-*	-	100%
45	Adani Warehousing Limited	2023-24	INR	0.05	(0.17)	0.17	0.29	-	-	-*	-*	-	-*	-	100%
46	Adani Agri Logistics (Dhamora) Limited	2023-24	INR	0.05	6.58	41.37	34.74	-	0.91	(0.03)	(0.03)	-*	(0.03)	-	100%
47	Adani Agri Logistics (Samastipur) Limited	2023-24	INR	0.05	48.49	131.41	82.87	-	-	(0.07)	(0.07)	-	(0.07)	-	100%
48	Adani Agri Logistics (Darbhanga) Limited	2023-24	INR	0.05	29.24	130.94	101.65	-	-	(0.10)	(0.10)	-	(0.10)	-	100%

**FORM - AOC - 1**  
**PART "A" :- Subsidiaries (Contd...)**

₹ in crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/ (loss) before taxation	Profit/ (loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
49	Dermot Infracon Limited	2023-24	INR	0.01	156.10	158.41	2.30	-	-	(0.03)	(0.03)	-	(0.03)	-	100%
50	Dhama Infrastructure Limited	2023-24	INR	50.11	(20.26)	29.86	0.01	-	-	(0.08)	(0.08)	-	(0.08)	-	100%
51	Adani Logistics Services Limited	2023-24	INR	183.01	61.06	420.58	176.51	-	354.11	87.12	66.94	(0.04)	66.90	-	98.40%
52	Adani Noble Limited	2023-24	INR	0.05	19.45	19.53	0.03	-	0.33	0.32	0.32	-	0.32	-	98.40%
53	Adani Forwarding Agent Limited	2023-24	INR	0.05	889.73	1,041.72	151.94	-	499.70	36.68	35.17	-*	35.17	-	100%
54	Adani Container Manufacturing Limited	2023-24	INR	0.96	0.19	1.20	0.05	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
55	Adani Logistics Infrastructure Limited	2023-24	INR	0.96	0.17	1.14	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	98.40%
56	Adani Container Terminal Limited	2023-24	INR	0.05	1.17	1,535.01	1,533.79	-	-	0.71	0.71	-	0.71	-	100%
57	Adani Krishna-patnam Port Limited	2023-24	INR	88.58	3,121.35	9,624.65	6,414.72	243.64	2,996.55	1,291.09	426.22	0.10	426.32	0.01	100%
58	Dighti Port Limited	2023-24	INR	1.00	943.22	956.93	12.71	-	22.16	(27.46)	(27.46)	0.32	(27.14)	-	100%
59	Sulochana Pedestal Limited	2023-24	INR	1.00	499.97	500.99	0.02	-	-	0.18	0.17	-	0.17	-	100%
60	NRC Limited	2023-24	INR	1.00	481.47	589.86	107.39	-	1.38	10.56	10.61	-	10.61	-	100%
61	Shankeshwar Buildwell Limited	2023-24	INR	10.01	332.28	344.64	2.35	-	0.04	(0.74)	(0.74)	-	(0.74)	-	100%
62	Aqua Desilting Private Limited	2023-24	INR	0.01	(0.01)	0.01	0.01	-	-	-*	-*	-	-*	-	100%
63	Mundra Solar Technopark Private Limited	2023-24	INR	4.98	282.96	1,395.18	1,107.24	-	353.69	(0.43)	(0.43)	-	(0.43)	-	49%
64	Adani Tracks Management Services Limited	2023-24	INR	200.00	1,163.77	1,790.29	426.52	-	585.64	289.13	173.99	(0.34)	173.65	-	100%
65	AYN Logistics Infra Private Limited	2023-24	INR	0.01	(0.01)	2.56	2.56	-	-	-*	-*	-	-*	-	100%
66	Adani Gangavaram Port Limited	2023-24	INR	0.05	4,714.84	6,452.21	1,737.32	-	1,603.63	713.42	719.03	(0.12)	718.91	-	100%
67	Gangavaram Port Services (India) Limited	2023-24	INR	1.00	(2.58)	5.42	7.00	-	41.79	(0.13)	(0.53)	(0.19)	(0.72)	-	100%
68	Seabird Distriparks (Krishnapatnam) Limited	2023-24	INR	0.31	(7.67)	28.00	35.36	-	11.18	1.89	1.89	-	1.89	-	100%
69	HDC Bulk Terminal Limited	2023-24	INR	11.05	(0.03)	148.63	137.61	-	-	(0.02)	(0.02)	-	(0.02)	-	100%
70	Savi Jana Sea Foods Private Limited	2023-24	INR	0.20	29.19	31.21	1.82	-	4.01	1.42	1.06	-	1.06	-	100%
71	Ocean Sparkle Limited (Consolidated)	2023-24	INR	21.65	1,732.69	1,893.73	139.39	35.32	625.26	297.13	292.24	(1.14)	291.10	-	98.52%
72	Saptati Build Estate Limited	2023-24	INR	-*	1.73	28.42	26.69	-	3.27	(0.10)	(0.07)	-	(0.07)	-	100%
73	Adani Aviation Fuels Limited	2023-24	INR	0.05	-*	0.05	-*	-	-	-*	-*	-	-*	-	100%
74	Mundra LPG Terminal Private Limited	2023-24	INR	0.10	584.51	1,170.78	586.17	-	115.72	(70.46)	(52.67)	0.06	(52.61)	-	48.97%
75	Tajpur Sagar Port Limited	2023-24	INR	0.05	(0.01)	0.05	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
76	Adani Agri Logistics (Sandila) Limited	2023-24	INR	0.05	8.90	10.66	1.71	-	10.25	(0.02)	(0.02)	-	(0.02)	-	100%
77	Adani Agri Logistics (Gonda) Limited	2023-24	INR	0.05	0.03	0.18	0.10	-	0.07	(0.02)	(0.02)	-	(0.02)	-	100%

ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED

Integrated Annual Report 2023-24

FORM - AOC - 1  
PART "A" :- Subsidiaries (Contd...)

₹ in crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
78	Adani Agri Logistics (Chandari) Limited	2023-24	INR	0.05	1.38	2.09	0.66	-	0.38	.*	.*	-	.*	-	100%
79	Adani Agri Logistics Katihar Two Limited	2023-24	INR	0.05	9.00	9.87	0.82	-	9.66	(0.01)	(0.01)	-	(0.01)	-	100%
80	HM Agri Logistics Limited	2023-24	INR	0.05	6.21	23.83	17.57	-	-	.*	.*	-	.*	-	100%
81	PU Agri Logistics Limited	2023-24	INR	0.05	67.84	68.51	0.62	-	-	.*	.*	-	.*	-	100%
82	BU Agri Logistics Limited	2023-24	INR	0.05	12.20	20.63	8.38	-	-	.*	.*	-	.*	-	100%
83	Karaikal Port Private Limited	April 04, 2023 to March 31, 2024	INR	1.00	566.69	1,642.21	1,074.52	-	622.39	232.88	232.88	0.44	233.32	-	100%
84	Agratas Projects Private Limited	September 02, 2023 to March 31, 2024	INR	0.01	69.32	70.34	1.01	-	-	0.01	.*	-	.*	-	100%
85	Adrita Realtors Private Limited	September 01, 2023 to March 31, 2024	INR	0.01	85.54	85.56	0.01	-	-	(0.16)	(0.16)	-	(0.16)	-	100%
86	Dependencia Infrastructure Private Limited	September 14, 2023 to March 31, 2024	INR	0.01	141.89	141.90	.*	-	-	(0.15)	(0.15)	-	(0.15)	-	100%
87	Griptronics Enterprises Private Limited	September 01, 2023 to March 31, 2024	INR	0.01	77.39	77.40	.*	-	-	.*	.*	-	.*	-	100%
88	Nabhanga Enterprises Private Limited	August 24, 2023 to March 31, 2024	INR	0.01	46.17	46.19	0.01	-	-	.*	.*	-	.*	-	100%
89	Udanvat Leasing IFSC Limited	October 23, 2023 to March 31, 2024	INR	2.50	0.01	136.46	133.95	-	-	0.01	0.01	-	0.01	-	100%
90	Mandhata Build Estate Private Limited	December 01, 2023 to March 31, 2024	INR	.*	20.47	20.47	.*	-	-	.*	.*	-	.*	-	100%
91	Poseidon Leasing IFSC Limited	February 08, 2024 to March 31, 2024	INR	-	-	-	-	-	-	-	-	-	-	-	100%
92	Abbot Point Operations Pty Limited (Consolidated)	2023-24	INR AUD	0.55 0.10	192.95 35.66	324.94 60.05	131.44 24.29	-	752.28 138.47	63.05 11.61	41.03 7.55	-	41.03 7.55	-	100%
93	Pearl Port Pte. Limited	2023-24	INR USD	0.01 .*	(0.33) (0.04)	0.09 0.01	0.41 0.05	-	3.30 0.40	(0.10) (0.01)	(0.10) (0.01)	-	(0.10) (0.01)	-	100%
94	Noble Port Pte. Limited	2023-24	INR USD	0.01 .*	(0.33) (0.04)	0.10 0.01	0.42 0.05	-	3.30 0.40	(0.16) (0.02)	(0.16) (0.02)	-	(0.16) (0.02)	-	100%

**FORM - AOC - 1**  
**PART "A" :- Subsidiaries (Contd...)**

₹ in crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
95	Coastal International Terminals Pte Limited	April 01, 2023 to May 31, 2023	INR	-	-	-	-	-	-	1,535.48	1,535.48	-	1,535.48	-	-
			USD	-	-	-	-	-	-	186.80	186.80	-	186.80	-	-
96	Anchor Port Holding Pte Limited	2023-24	INR	0.05	(8.52)	0.91	9.38	-	1.53	(0.48)	(0.48)	-	(0.48)	-	100%
			USD	0.01	(1.02)	0.11	1.12	-	0.18	(0.06)	(0.06)	-	(0.06)	-	-
97	Adani Bangladesh Ports Private Limited	2023-24	INR	0.42	4.69	5.15	0.04	-	-	(0.05)	(0.05)	-	(0.05)	-	100%
			BDT	5.53	61.63	67.71	0.55	-	-	(0.69)	(0.69)	-	(0.69)	-	-
98	Adani Yangon International Terminal Company Limited	April 01, 2023 to May 31, 2023	INR	-	-	-	-	-	0.21	(1.53)	(1.53)	-	(1.53)	-	-
			MMK	-	-	-	-	-	52.20	(383.27)	(383.27)	-	(383.27)	-	-
99	Adani International Ports Holdings Pte Limited	2023-24	INR	102.63	66.10	5,906.64	5,737.91	-	776.56	(16.61)	(16.61)	-	(16.61)	-	100%
			USD	12.31	7.92	708.19	687.96	-	93.84	(2.01)	(2.01)	-	(2.01)	-	-
100	Colombo West International Terminal (Private) Limited	2023-24	INR	834.05	(16.52)	2,990.09	2,172.56	-	-	(0.94)	(0.94)	-	(0.94)	-	51%
			USD	100.00	(1.98)	358.50	260.48	-	-	(0.11)	(0.11)	-	(0.11)	-	-
101	The Adani Harbour International DMCC	2023-24	INR	0.23	(52.23)	379.35	431.35	0.01	4.92	(51.82)	(51.82)	-	(51.82)	-	100%
			AED	0.10	(23.00)	167.02	189.92	0.01	2.18	(22.99)	(22.99)	-	(22.99)	-	-
102	Port Harbour Services International Pte. Limited	2023-24	INR	0.01	(0.03)	0.01	0.03	-	-	(0.03)	(0.03)	-	(0.03)	-	100%
			USD	-*	-*	-*	-*	-	-*	-*	-*	-	-*	-	-
103	Mediterranean International Ports A.D.G.D Limited	2023-24	INR	2,938.92	(322.55)	9,011.79	6,395.42	-	-	(197.38)	(197.38)	-	(197.38)	-	70%
			ILS	1,299.00	(142.56)	3,983.21	2,826.77	-	-	(88.56)	(88.56)	-	(88.56)	-	-
104	Haifa Port Company Limited.	2023-24	INR	-*	7,687.21	9,614.85	1,927.64	633.30	1,623.51	180.59	365.91	655.64	1,021.55	-	70%
			ILS	-*	3,397.75	4,249.77	852.02	279.92	728.48	81.03	164.19	294.19	458.38	-	-
105	East Africa Gateway Limited	October 03, 2023 to March 31, 2024	INR	0.34	(0.01)	0.34	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	30%
			AED	0.15	-*	0.15	-*	-	-	-*	-*	-	-*	-	-

-\* Figures being nullified on conversion to ₹ in crore and foreign currency in Million

**ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED**

Integrated Annual Report 2023-24

**FORM - AOC - 1**

**PART "A" :- Subsidiaries** (Contd...)

**Notes:-**

**(A) Names of companies ceased to be subsidiaries due to loss of control/dilution of stake in subsidiaries**

- Coastal International Terminals Pte Limited
- Adani Yangon International Terminal Company Limited

**(B) Names of subsidiaries which are yet to commence operations**

- Hazira Infrastructure Limited	- Adani Agri Logistics (Raman) Limited	- Tajpur Sagar Port Limited
- Madurai Infrastructure Limited	- Adani Agri Logistics (Nakodar) Limited	- Mediterranean International Ports A.D.G.D. Limited
- Adani Vizhinjam Port Private Limited	- Adani Agri Logistics (Barnala) Limited	- BU Agri Logistics Limited
- Dholera Port And Special Economic Zone Limited	- Adani Bulk Terminals (Mundra) Limited	- Adani Aviation Fuels Limited
- Dholera Infrastructure Private Limited	- Adani Agri Logistics (Mansa) Limited	- Agratas Projects Private Limited
- Pearl Port Pte. Limited	- Adani Agri Logistics (Moga) Limited	- Dependencia Infrastructure Private Limited
- Noble Port Pte. Limited	- Adani Warehousing Limited	- Griptronics Enterprises Private Limited
- Dermot Infracon Limited	- Adani Agri Logistics (Dahod) Limited	- Nabhganga Enterprises Private Limited
- Mundra Crude Oil Terminal Limited	- Adani Agri Logistics (Samastipur) Limited	- Udanvat Leasing IFSC Limited
- Adani Ports Technologies Private Limited	- Adani Agri Logistics (Darbhanga) Limited	- Mandhata Build Estate Private Limited
- Adani Container Manufacturing Limited	- Adani Container Terminal Limited	- Poseidon Leasing IFSC Limited
- Adani Logistics Infrastructure Limited	- Aqua Desilting Private Limited	- East Africa Gateway Limited
- Dhamra Infrastructure Limited	- HDC Bulk Terminal Limited	- HM Agri Logistics Limited
- Sulochana Pedestal Limited	- Adani Agri Logistics Katihar Two Limited	- PU Agri Logistics Limited
- AYN Logistics Infra Limited	- Adrita Realtors Private Limited	- Port Harbour Services International Pte. Limited
- Colombo West International Terminal (Private) Limited	- Adani Agri Logistics (Chandari) Limited	
- Adani Agri Logistics (Sandila) Limited	- Adani Agri Logistics (Gonda) Limited	

## FORM - AOC - 1

## PART "B" :- Associates and Joint Ventures

## Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associates and Joint Ventures

Sr No	Name of Joint Venture	Latest Audited Balance Sheet Date	Shares of Joint Ventures held by the company at the year end		Extent of holding	Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	
			No of Shares	Amount of Investment in Joint Venture					Amount considered in Consolidation	Amount not considered in Consolidation
1	Adani International Container Terminal Private Limited	March 31, 2024	32,22,31,817	341.03	50%	Note - A	NA	681.54	27.56	319.86
2	Adani CMA Mundra Terminal Private Limited	March 31, 2024	5,93,78,278	63.86	50%	Note - A	NA	213.04	-	122.92
3	Adani NYK Auto Logistics Solutions Private Limited	March 31, 2024	61,20,000	6.12	51%	Note - A	NA	0.95	(1.62)	-
4	Adani Total Private Limited (Consolidated)	March 31, 2024	2,02,00,000	20.20	50%	Note - A	NA	559.38	(216.80)	-
5	Dighi Roha Rail Limited#	March 31, 2024	50,000	0.05	50%	Note - A	NA	(0.41)	-	-
6	EZR Technologies Private Limited	March 31, 2024	25,500	0.03	51%	Note - A	NA	0.02	-*	-
7	Adani KP Agriwarehousing Private Limited	March 31, 2024	74,000	8.32	74%	Note - A	NA	3.81	0.20	-
8	Indianoil Adani Ventures Limited (Consolidated)	March 31, 2024	50,09,72,175	1,180.72	49.99%	Note - A	NA	939.95	42.76	-
9	IOT Utkal Energy Services Limited	March 31, 2024	5,26,27,778	39.09	45.78%*	Note - A	NA	44.72	6.80	-
10	Veracity Supply Chain Private Limited	March 31, 2024	50,000	0.05	50%	Note - A	NA	0.05	-*	-
11	Harbour Services Lanka (Private) Limited	March 31, 2024	5,000	0.01	50%	Note - A	NA	0.05	-	-

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

\* Effective holding percentage

# Consolidated based on management accounts

**Note:**

(A) There is significant influence/joint control due to percentage (%) of Share holding.

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

**Gautam S. Adani**  
Chairman  
DIN : 00006273

**Karan Adani**  
Managing Director  
DIN : 03088095

**Ashwani Gupta**  
Wholesale Director & CEO  
DIN : 10455435

**D. Muthukumar**  
Chief Financial Officer

**Kamlesh Bhagia**  
Company Secretary

Date : May 02, 2024

## Notice

**NOTICE** is hereby given that the 25<sup>th</sup> Annual General Meeting ("AGM") of Adani Ports and Special Economic Zone Limited ("APSEZ"/"Company") will be held on Monday, June 24, 2024 at 12:00 Noon through Video Conferencing/ Other Audio Visual Means to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421, Gujarat.

### Ordinary Business:

1. To receive, consider and adopt the -
  - a. audited standalone financial statements of the Company for the financial year ended on March 31, 2024 together with the reports of the Board of Directors and Auditors thereon; and
  - b. audited consolidated financial statements of the Company for the financial year ended on March 31, 2024 together with the report of Auditors thereon.
2. To declare Dividend on Preference Shares for the FY 2023-24.
3. To declare Dividend on Equity Shares for the FY 2023-24.
4. To appoint a Director in place of Mr. Karan Adani (DIN: 03088095), who retires by rotation and being eligible, offers himself for re-appointment.

**Explanation:** Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr. Karan Adani, Managing Director whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends his re-appointment as a director.

Therefore, the shareholders are requested to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions if any, of the Companies Act, 2013, Mr. Karan Adani (DIN: 03088095), who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation."

5. To consider and if thought fit, approve the appointment of M/s. M S K A & Associates, Chartered Accountant as Statutory Auditors of the Company for a first term of five years and to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), consent of the members of the Company be and is hereby accorded, to appoint M/s. M S K A & Associates, Chartered Accountants, (Firm Registration No. 105047W) as Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of 30<sup>th</sup> AGM of the Company to be held in the calendar year 2029 on such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take all actions and do all such deeds, matters and things, as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

### Special Business:

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** in supersession of the resolution passed by the members at the Annual General Meeting held on July 12, 2021 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder (including any statutory modification(s) or reenactment thereof for the time being in force), consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any

committee thereof for the time being exercising the powers conferred on the Board by this resolution) to borrow by way of loan/debentures (whether secured or unsecured) / bonds / deposits / fund based / non-fund based limits/ guarantee for the purpose of the business of the Company any sum or sums of money either in Indian or Foreign Currency from time to time from any Bank(s) or any Financial Institution(s) or any other Institution(s), firm(s), body corporate(s), or other person(s) or from any other source in India or outside India whomsoever in addition to the temporary loans obtained from the Company's Banker(s) in the ordinary course of business provided that the sum or sums so borrowed under this resolution and remaining outstanding at any time shall not exceed in the aggregate ₹ 65,000 crore (Rupees Sixty Five Thousand crore Only).

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take all actions and do all such deeds, matters and things, as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the rules framed thereunder, as amended from time to time, the Board of Directors be and is hereby authorised to appoint Branch Auditors of any branch office of the Company, whether existing or which may be opened hereafter, outside India, in consultation with the Company's Statutory Auditors, provided such person(s)/ firm(s) are qualified to act as a Branch Auditor in terms of the provisions of Section 143(8) of the Act and to fix their remuneration.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take all actions and do all such deeds, matters and things, as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

By order of the Board of Directors  
For, **Adani Ports and Special Economic Zone Limited**

**Kamlesh Bhagia**  
Company Secretary  
Membership No. ACS 19198

Place: Ahmedabad  
Date: May 2, 2024

**Registered Office:**  
"Adani Corporate House",  
Shantigram, Nr. Vaishno Devi Circle,  
S.G. Highway, Khodiyar,  
Ahmedabad - 382421, Gujarat, India  
CIN: L63090GJ1998PLC034182

**NOTES:**

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") and dispensed the personal presence of the Shareholders at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 09/2023 dated September 25, 2023 read with Circular No. 14/2020 dated April 8, 2020 and Circular No. 17/2020 dated April 13, 2020 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/DDHS/P/ CIR/2022/0063 dated May 13, 2022, Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said circulars, the 25<sup>th</sup> AGM of the shareholders will be held through VC/OAVM. Hence, shareholders can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 17 and available at the Company's website [www.adaniports.com](http://www.adaniports.com).
2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 1800 22 55 33.
3. Information regarding re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 ("the Act") and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is annexed hereto.
4. Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the shareholders is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. The attendance of the shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / RTA (if shares held in physical form).  
  
A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) by June 7, 2024. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.  
  
Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). The aforesaid declarations and documents need to be submitted by the shareholders by June 7, 2024.
7. In line with the aforesaid MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.adaniports.com](http://www.adaniports.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. The Company has fixed Friday, June 14, 2024 as the 'Record Date' for determining entitlement of shareholders to receive dividend for the FY 2023- 24, if approved at the AGM.  
  
Those shareholders whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after Sunday, June 30, 2024, subject to applicable TDS.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf)

9. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
10. Shareholders holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R&T Agent of the Company. In case shares held in dematerialised form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
11. In terms of Section 72 of the Act, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to Company's R&T Agent for nomination form by quoting their folio number.
12. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode.
13. The Shareholders can join the AGM through the VC/OAVM mode 15 (fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 shareholders on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional

Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

#### 14. Process and manner for shareholders opting for voting through electronic means:

- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and 25 September, 2024, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a shareholder using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
- ii. Shareholders whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, June 17, 2024, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a shareholder of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, June 17, 2024, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on Thursday, June 20, 2024 at 9:00 a.m. and will end on Sunday, June 23, 2024 at 5:00 p.m. During this period, the shareholders of the Company holding shares either in physical

form or in demat form as on the Cut-off date. i.e. Monday, June 17, 2024 may cast their vote electronically. The shareholders will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

- v. Once the vote on a resolution is cast by the Shareholder, he/she shall not be allowed to change it subsequently or cast the vote again.
- vi. The voting rights of the shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Monday, June 17, 2024.
- vii. The Company has appointed CS Chirag Shah, Practicing Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the scrutiner for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

#### 15. Process for those shareholders whose email ids/mobile no. are not registered:

- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [rnt.helpdesk@linktime.co.in](mailto:rnt.helpdesk@linktime.co.in).
- b) For Demat shareholders - Please update your e-mail id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meeting through Depository.
- c) For Individual Demat Shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

#### 16. The instructions for shareholders for remote voting are as under:

- (i) The voting period begins on Thursday, June 20, 2024 at 9:00 a.m. and will end on Sunday, June 23, 2024 at 5:00 p.m. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Monday, June

17, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022 4886 7000 and 022 2499 7000.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meeting for physical shareholders and shareholders other than individual holding in demat form.
1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on Shareholders.
  3. Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  4. Next enter the Image Verification as displayed and Click on Login.
  5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  6. If you are a first time user follow the steps given below:

**For Physical shareholders and other than individual shareholders holding shares in Demat.**

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of the Company - **ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED** on which you choose to vote.

- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutiniser for verification.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" Module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
  - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.
  - If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.
  - All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.
17. **The instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:-**
1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
  3. Only those shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
  4. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders participating in the meeting.
  5. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
18. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.adaniports.com](http://www.adaniports.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) within two days of the passing of the Resolutions at the 25<sup>th</sup> Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
19. **Instructions for shareholders for attending the AGM through VC/OAVM are as under:**
1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com/> under shareholders'/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
  2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
  3. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. For ease of conduct, shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at [investor.apsezl@adani.com](mailto:investor.apsezl@adani.com). The shareholders who do not want to speak during the AGM but have queries may send their queries in advance at least 7 days prior to the AGM mentioning their name, demat account number / folio number, email id, mobile number at [investor.apsezl@adani.com](mailto:investor.apsezl@adani.com).
  6. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
  7. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

**Contact Details:**

<b>Company</b>	:	Adani Ports and Special Economic Zone Limited Regd. Office: "Adani Corporate House", Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421, Gujarat, India CIN: L63090GJ1998PLC034182 E-mail: <a href="mailto:investor.apsezl@adani.com">investor.apsezl@adani.com</a>
<b>Registrar and Transfer Agent</b>	:	M/s. Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India Tel: +91-22-49186270 Fax : +91-22- 49186060 E-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
<b>e-Voting Agency</b>	:	Central Depository Services (India) Limited E-mail: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone: 1800 22 55 33
<b>Scrutinizer</b>	:	CS Chirag Shah Practicing Company Secretary E-mail: <a href="mailto:pcschirag@gmail.com">pcschirag@gmail.com</a>

**ANNEXURE TO NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("ACT") AND / OR REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI LISTING REGULATIONS").****For Item No. 5**

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on August 12, 2023 had approved the appointment M/s. M S K A & Associates, Chartered Accountants (Firm Registration No. 105047W) as Statutory Auditors of the Company to fill the casual vacancy caused by resignation of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, the erstwhile statutory auditors of the Company.

Pursuant to Section 139(8) of the Act, the members by way of postal ballot completed on September 22, 2023 had appointed M/s. M S K A & Associates, Chartered Accountants (Firm Registration No. 105047W), as the Statutory Auditors of the Company to hold office till the conclusion of 25<sup>th</sup> AGM, to be held in year 2024.

M/s. M S K A & Associates, Chartered Accountants, being eligible under section 139(1), 141(3) and other applicable provisions, if any, of the Act, have consented to act as the Statutory Auditors of the Company and have also confirmed that their appointment, if made, would be within the limits prescribed under the Act.

Pursuant to Regulation 36(5) of SEBI Listing Regulations as amended, the brief profile of M/s. M S K A & Associates, is as under:

M/s. M S K A & Associates, Chartered Accountants (firm registration no. 105047W) ("the Audit Firm") was established in 1978. It has its head office in Mumbai and has nine branch offices in various cities in India. The Audit Firm is an Indian partnership firm registered with the Institute of Chartered Accountants of India (ICAI) and the PCAOB (US Public Company Accountancy Oversight Board) and has peer review certificate that is valid till July 31, 2024. It is a member firm of BDO International and all the network firms, including the Audit Firm are engaged primarily in providing audit and assurance services to clients.

The proposed fees payable to M/s. M S K A & Associates, Chartered Accountants is ₹ 135 lakhs for FY 2024-25 (₹ 121 lakhs for FY 2023-24). The said proposed fees shall exclude GST, certification fees, applicable taxes, reimbursements and other outlays.

The Board of Directors recommends the said resolution, as set out in item 5 of this Notice for your approval.

None of the Directors or key managerial personnel or their relatives is in any way concerned or interested, financially or otherwise in the said resolution.

**For Item No. 6**

The members of the Company at the AGM held on July 12, 2021 had authorised Board of Directors to exercise borrowing powers for the outstanding amount of which at any time shall not exceed in the aggregate of ₹ 50,000 crore (Rupees Fifty Thousand crore Only).

As per the provisions of Section 180(1)(c) of the Act, the Board of Directors cannot borrow in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the shareholders accorded by way of a special resolution.

As on March 31, 2024, the gross borrowings of the Company stood at ₹ 46,923 crore and is nearing the existing borrowing limits of ₹ 50,000 crores, as approved by the shareholders earlier. In view of expanding business operations of the Company, the planned investments and capital expenditure for development of greenfield ports & terminals, capacity expansion of existing ports, investment in logistics business for development of multi-modal parks and inorganic growth opportunities, it is necessary to enhance the borrowing limits from ₹ 50,000 crore to ₹ 65,000 crore (Rupees sixty five thousand crore only) and authorize the Board of the Directors or Committee thereof, in this regard.

As mentioned above, this increase in borrowing limits, being in excess of the aggregate of the paid up share capital and free reserves of the Company, shall require shareholders' approval by way of Special Resolution.

The Board of Directors recommends the said resolution, as set out in item 6 of this Notice for your approval.

None of the Directors or key managerial personnel or their relatives is in any way concerned or interested, financially or otherwise in the said resolution.

**For Item No. 7**

The Company has a branch outside India and may also open new branches outside India in future, for which, it may be necessary to appoint branch auditors for carrying out the audit of the accounts of such branches. The members are requested to authorize the Board of Directors of the Company (a) to appoint branch auditors in consultation with the Company's Statutory Auditors and (b) fix remuneration of such branch auditors.

The Board of Directors recommends the said resolution, as set out in item 7 of this Notice for your approval.

None of the Directors or key managerial personnel or their relatives is in any way concerned or interested, financially or otherwise in the said resolution.

By order of the Board of Directors  
For, **Adani Ports and Special Economic Zone Limited**

**Kamlesh Bhagia**  
Company Secretary  
Membership No. ACS 19198

Place: Ahmedabad  
Date: May 2, 2024

**Registered Office:**

"Adani Corporate House",  
Shantigram, Nr. Vaishno Devi Circle,  
S.G. Highway, Khodiyar,  
Ahmedabad - 382421, Gujarat, India  
CIN: L63090GJ1998PLC034182

## Annexure to Notice

## Details of Directors seeking re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he/she holds directorship as on March 31, 2024	Name of committees in which he/she holds membership/ chairmanship as on March 31, 2024	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company.	Names of listed entities from which the person has resigned in past three years.
Mr. Karan Adani	37 Years April 7, 1987 (NIL)	Degree in Economics from Purdue University, USA	Mr. Karan Adani holds a bachelor's degree in economics from Purdue university. He has over 14 years of experience throughout various divisions of our Company's operations since 2009. He is responsible for the strategic development of the Adani Group and overlooks their day-to-day operations.	<ul style="list-style-type: none"> <li>Ambuja Cements Limited<sup>^^</sup></li> <li>ACC Limited<sup>^^</sup></li> </ul>	<p><b>Ambuja Cements Limited<sup>^^</sup></b></p> <ul style="list-style-type: none"> <li>Stakeholders' Relationship Committee – Member</li> <li>Corporate Social Responsibility Committee – Member</li> </ul> <p><b>ACC Limited<sup>^^</sup></b></p> <ul style="list-style-type: none"> <li>Stakeholders' Relationship Committee – Member</li> </ul>	He is son of Mr. Gautam S. Adani, the Executive Chairman of the Company.	Nil

<sup>^^</sup>Listed Company

Listed entities from which he has resigned in the past three years: Nil

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above director please refer to the Corporate Governance Report.

# Adani Ports and Special Economic Zone Limited

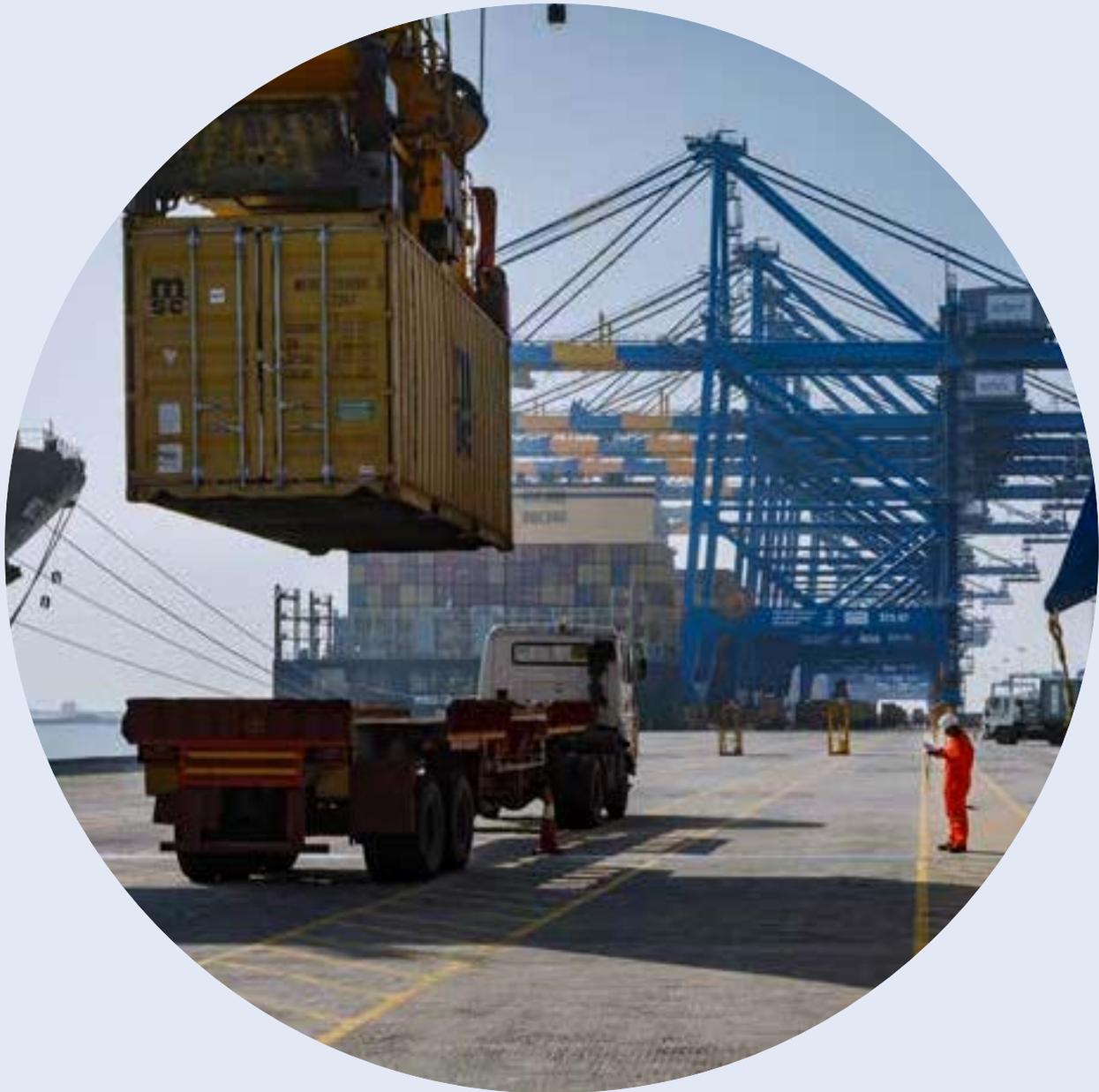
## Registered office

Adani Corporate House, Shantigram,  
Near Vaishnodevi Circle, S G Highway,  
Ahmedabad-382421, Gujarat, India

 [www.adaniports.com](http://www.adaniports.com)

# BUILDING A BETTER TOMORROW

BUILDING INDIA'S GATEWAYS FOR FASTER  
SMARTER, RELIABLE & EFFICIENT TRADE

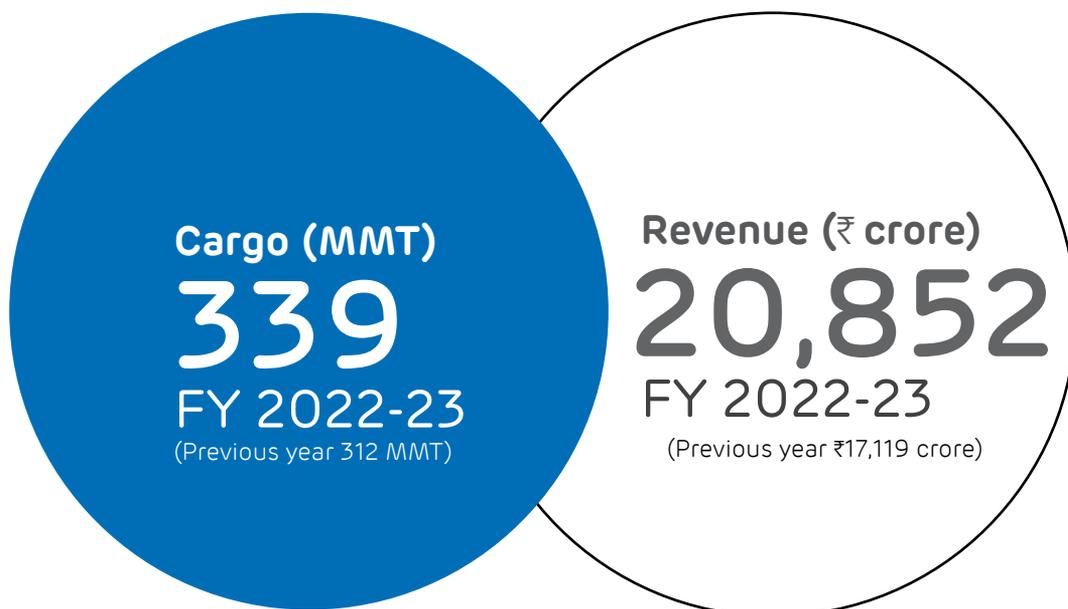


**Adani Ports and Special Economic Zone Limited**  
Integrated Annual Report 2022-23

**adani**  
Ports and  
Logistics

## Forward-looking statement

This document contains statements about expected future events and financial and operating results of Adani Ports and Special Economic Zone Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Adani Ports and Special Economic Zone Limited Annual Report 2022-23.



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India is one of the most exciting global economies.

The country is building its infrastructure with unprecedented capital outlays.

At the Adani Group, we have built our various businesses around this national priority.

At APSEZ, we are investing in the national growth story by extending our personality: from port services to transport utility services.

In doing so, we are deepening our national presence and proactively exploring international opportunities.

# This is what we mean by 'Building a better tomorrow'





# The APSEZ vision

## Vision 2025

To become the world's leading transport utility company with strategic assets across the globe, offering integrated logistics services driven by customer centricity through technology and best-in-class talent, following international standards on sustainable health, safety, environmental, financial and governance practices.

## Vision 2030: Our blueprint



### Environment-Social-Governance

- Deepen our governance commitment through strategic transparency
- Become a carbon-neutral company by 2025
- 100% cargo management using renewable energy
- Mangrove afforestation and focus on green belt development in and around ports
- Alignment with the Adani Group's vision of 100 million trees plantation by 2030: APSEZ to plant around 48 million trees



### Business mix

- Focus on RoCE-accretive initiatives and investments
- Increase the asset-light proportion of our revenues (logistics)
- Diversify our existing cargo mix
- Focus on new growth commodities like LPG, LNG etc.
- Focus on coastal volumes growth.



### Footprint

- Widen and deepen our national footprint.
- Asset development across the logistics supply value chain
- Strengthen the sub-continental ports 'necklace' (organic/inorganic initiatives)
- Increase our market share of cargo growth
- Special focus on international opportunities with a focus on Asia and Africa

Target  
 2030

To emerge as the world's largest port company by 2030 with strategic assets across the globe, offering integrated logistics services driven by customer-centricity through technology and best-in-class talent, following international standards on sustainable health, safety, environmental, financial and governance practices



#### Asset management

- Create state-of-the-art infrastructure matching global standards
- Engage in inventory cum asset tracking
- Deepen our asset lifecycle management
- Focus on enhanced asset utilisation
- Enhance asset use flexibility
- Apply technology solutions and SOPs to enhance asset life and productivity.



#### Customer focus

- Engage in long-term relationship-driven customer contracts
- Engage in strategic partnerships with key large customers
- Deepen a culture of customer engagement and feedback
- Focus on end-to-end solutions
- Enhance cargo visibility in the logistics supply chain
- Deepen technology-enabled solutions for enhanced customer-centricity
- Deepen supply chain dependability
- Achieve a Customer Satisfaction Score of 95+ (of 100)



#### Financial structure

- Engage in disciplined capital allocation
- Moderate capital expenditure; leverage existing assets
- Generate an increasing quantum of free cash flows
- Focus on deleveraging the Balance Sheet



### Technology

- Invest deeper in cutting-edge technologies and cybersecurity
- Provide single-stop customer solutions through an integrated platform
- Leverage the full value of a next generation terminal operating system
- Enhance customer delight – each time in a sustainable way
- Enhance operating efficiency to match global standards
- Deepen a culture of data-based decision making
- Enhance the role of technology in port Community System Development
- Align with government initiatives to enhance supply chain efficiency
- Partner technology providers to enhance the role of digital innovation
- Deepen digitisation to enhance future-readiness



### Investment in port communities

- Maximising synergies between port stakeholders
- Engagement in community development and social services



### Human resource management

- Create a robust leadership pipeline
- Invest in people through Employee Development and Training
- Capability building through skill upgradation
- Active employee engagement; enhance agility and outcomes
- Develop bench strength and talent pool
- Deepen efficient and adaptable organisation design
- Accelerated integration (cultural) of acquired entities.



### Frugal innovation culture

- Culture of continuous improvement through frugal innovation
- Deliver tomorrow's solutions today
- Localise solutions and learn from experience
- Scalability and adaptability
- Focus on safety, operational productivity / efficiency improvements and cost optimisation.



### Highest safety standards

- Nurturing a comprehensive safety culture
- Safety Walk-Safety Talk: Extensive communication with port employees/contractors/vendors
- Ongoing safety training; perpetually enhancing standards
- Safety SOPs for every role and function
- Occupational Health Safety Excellence Center: Safety training for key stakeholders, especially port employees and contractual manpower.



# The big picture of why we exist

## Overview

In the world's seventh largest country by land area and fifth largest by economical scale, possibly the most critical driver of competitiveness is the capacity to move products with speed, safety and economy from one point to another.

At APSEZ, we believe that despite extensive improvements in the area of logistics across the decades, India represents one of the largest under-penetrated logistics opportunities. There is a premium on the ability to move products efficiently and effectively; there is

an urgent need to moderate India's logistical cost as a percentage of its GDP by 500 bps towards the level of some least developed countries, and then moderate it even further to deepen our competitive advantage.

There is a greater need to demonstrate that India can be as nimble as it is large; that India can be as competitive as it is diverse.

The one segment of the national logistics infrastructure positioned to play the most decisive role in this desired transformation is its ports sector.



**AT APSEZ, WE BELIEVE THAT INDIA'S COMPETITIVENESS WILL BE CATALYSED BY ITS ABILITY TO MANUFACTURE COMPETITIVELY, CONSUME EFFICIENTLY AND EXPORT PROFITABLY.**

## Robust national fundamentals

At APSEZ, we believe that India's competitiveness will be catalysed by its ability to manufacture competitively, consume efficiently and export profitably.

These are India's attractive fundamentals.

India sits at one of the most attractive junctures. The country is marked by scale, which indicates the world's largest consumption market.

India is extensively under-consumed across most products and commodities, which indicates a

large multi-decade headroom.

India's economic growth has resisted a global slowdown; analysts predict a long-term economic growth average in excess of 6% year-on-year to deliver one of the largest prosperity shifts anywhere in the world.

## Growing ports criticality

The contribution of manufacturing as a percentage of India's GDP has declined across the decades.

The time has come for this trend to reverse; the Indian government has outlined a structured plan to enhance the proportion of manufacturing in the GDP by 500 bps across the coming years.

India's ports are expected to play a decisive role in enhancing Indian competitiveness and the role of the manufacturing sector in its GDP.

The key factors likely to catalyse the growth of India's ports sector comprise:

- Continuous growth in India's export-import volumes, indicating

a national consumption appetite coupled with growing competitiveness

- Unprecedented infrastructure growth in India
- Focus on green transportation (enhancing coastal volumes)
- India's container penetration rate has traditionally remained low, with only 14 TEUs (Twenty-Foot Equivalent Units) per 1,000 population, compared to the global average of 109 TEUs per 1,000 population. When comparing with peer economies, it becomes evident that the ratio is significantly lower, indicating substantial headroom for growth.

- As the population continues to grow, so does the demand

for essential commodities such as food, energy, raw materials and manufactured goods. The expansion of industries, manufacturing sectors, and urbanisation driven by economic growth contribute to the demand for commodities and port services.

This is expected to translate into India's port-driven economic development. The scale, scope, sophistication, and sustainability of this potential is possibly the most attractive anywhere.

These realities indicate that the Indian ports sector is positioned at the bottom-end of a long J-curve with prospects of multi-decade cargo growth.



# Government policies: The biggest catalyst of port-based growth in India

## Overview

India has historically been an under-penetrated country related to port services for various reasons.

**Inadequate connectivity:**  
Affected by limited last-mile connectivity (road and rail)

**Inter-port competition:**  
Was low, but has improved following private sector participation

**Eco-system absence:** Absence of a port-based industrial eco-system

Historically, Indian ports were marked by high capacity utilisation (more than 90%), which translated into extended waiting days of vessels to berth, high vessel turn-around time, absence of supply chain integration and its cascading impact on costs and cargo visibility/reliability.

The result was a high cost of cargo intermediation that translated into a high cost of end

products, enhancing the high-cost nature of the Indian economy,

The result has been a greater recognition that plugging port sector constraints would possibly play a decisive role in enhancing the potential of India's industries and their position in the global trade landscape.

Some of this optimism is already translating into reality. While many countries faced economic

deceleration in FY 2022-23 due to pandemic-induced lockdowns, macroeconomic headwinds, and a weakening Chinese economy, India's port sector demonstrated resilience. Despite rising inflation and shifting consumer spending, where expenditure shifted from goods to services, India's port sector stood out as a key driver of India's economic activity, contributing to the country's growth trajectory.

### Government policies

The Indian Government embarked on multiple initiatives to improve infrastructure development linked to ports and logistics.

#### Maritime India Vision (MIV) 2030:

This was launched in November 2020 to catalyse investments of ₹1,00,000–1,25,000 crore in the area of capacity augmentation and the development of world-class port infrastructure. The policy covers more than 150 initiatives across port, shipping and waterway modes with the objective to transform the country's logistical effectiveness.

**National Logistic Policy, 2022:** This comprises multimodal connectivity infrastructure to various economic zones. While development of integrated infrastructure and network planning is envisaged to be addressed through the PM GatiShakti National Master Plan, for efficiency in services (processes, digital systems, regulatory framework) and human resource, the National Logistics Policy appears to be the next step, which provides a comprehensive agenda for the development of the entire logistics ecosystem. The key targets of the policy comprise: Reduce the cost of logistics in India to global benchmarks by 2030; rise to among the top 25 countries in the Logistics Performance Index by 2030; create a data-driven decision support mechanism.

#### Comprehensive Logistics Action Plan (CLAP):

The Policy will be implemented through a Comprehensive Logistics Action Plan (CLAP) through eight key areas - integrated digital logistics systems; standardisation of physical assets & benchmarking service quality standards; logistics human resources development and capacity building; State engagement; export-import logistics; service improvement framework; sectoral plan for efficient logistics; facilitation of the development of logistics parks.

#### PM Gati-Shakti National Master Plan:

The Indian government launched this Plan for multimodal connectivity in October 2021 to dissolve departmental silos for integrated multi-modal connectivity and last-mile connectivity. The approach comprises a coverage of roads, railways, airports, ports, mass transport, waterways and logistics infrastructure. The plan is based on six pillars: Comprehensiveness, Prioritisation, Optimisation, Synchronisation, Analytical and Dynamic.

**Sagarmala Pariyojana:** This was launched in 2015, enhancing the performance of the logistics sector in India by setting up new mega ports, modernising existing ports, and developing 14 Coastal Employment Zones and Coastal Employment Units. More than 605 projects worth ₹8.8 lakh crore were identified (89 projects worth ₹0.14 lakh crore completed and 443 projects worth ₹4.32 lakh crore under implementation or development).

#### National Monetisation Pipeline(NMP) :

The Indian government launched the asset monetisation pipeline

#### Key takeaways of National Logistic Policy 2022

13-14%

Logistics cost as percentage of Indian GDP

<10%

Logistics cost of benchmarked countries

38

India's position in Logistics Performance Index, 2023

<25

India's targeted position in Logistics Performance Index by 2030

that estimates an aggregate monetisation potential of ₹6.0 lakh crore core assets of the Central Government across a four-year period till FY 2024-25.

**NMP in Ports:** As per the NMP scheme, the total estimated capex towards 31 identified port projects considered for monetisation was estimated at ₹14,483 crore for FY 2022-25. Out of 31 projects, 13 projects with an expected capex of ₹6,924 crore was envisaged to be tendered out in FY 2021-22, followed by another 10 projects with an expected capex of ₹4,680 crore envisaged to be tendered out in FY 2022-23.

FY 2022-23 to 2025: a total of 18 projects adding up to ₹7,168 crore are expected to be awarded during the period. The phasing represents the year in which a certain project is envisaged to be tendered out; the actual capex investment is likely to happen in phases during the envisaged concession period.

#### Model Concession Agreement for PPP projects:

The Indian government revised the Model Concession Agreement (MCA) to enhance transparency in





contractual agreements that major ports would enter into with selected bidders for projects under the Build, Operate and Transfer (BOT) model. Some features of the revised MCA provide for relaxed exits, expansion, lower charges for land use based on each container, a cheaper dispute resolution mechanism and an online complaint portal for users.

**Dedicated Freight Corridors:** The Ministry of Railways is executing the Dedicated Freight Corridor Project for improving the freight transport ecosystem through double stacking, faster transit, and increased load-bearing capacity. The project includes two corridors, the Eastern Corridor and Western Corridor. The impact of the DFCs is already visible in the sections where operations have started as can be seen in reduced transit times of freight trains and increased running speeds.

More corridors are being proposed : East Coast Corridor, East-West corridor and the North South Corridor following the success of the WDFC and EDFC. These corridors are expected to enhance the connectivity between various clusters and improve logistics efficiency for the industry.

**Coastal shipping reform:** In May 2018, the Indian government allowed the coastal movement of export-import transshipment

containers and empty containers; it allowed foreign flagged vessels to carry fertilisers and agro commodities along the Indian coast.

**Ship Recycling Bill:** In December 2019, the Recycling of Ships Bill, 2019 provided opportunities to Indian ship recyclers (green ship recycling yards) as per the Hongkong Ship Recycling Convention.

**Economic Corridors:** Development of economic corridors such as the Delhi-Mumbai Corridor, Ganga Expressway Corridor, Raipur-Vishakhapatnam Economic Corridor provide ample opportunities for new projects in warehousing as well as terminal facilities, which could lead to logistics efficiencies and resilient supply chains.

National Industrial Corridor projects are getting developed on the overall framework of PM GatiShakti - National Master Plan to provide a systematic, multi modal connectivity to various economic zones for a seamless movement of people, goods and services resulting in the efficient conduct of logistics and economic activities. These corridors are spread across India, with a strategic focus on inclusive development to boost industrialisation and planned urbanisation. It will position India as a strong player in the global value chain and enhance India's

manufacturing competitiveness through the creation of robust infrastructure.

**National Logistics Law:** A national logistics law has been drafted and is under consultation. Through a unified legal framework for the paradigm of One Nation, One Contract, it would support the One Nation, One Market objective and provide a flexible regulatory environment (single bill of lading across modes). The law's provisions will make it possible to assign a distinct logistics account number in place of cumbersome registration processes.

**National Multimodal Facilities and Warehousing:** To promote intermodal and Multimodal Logistics Parks (MMLPs) as a separate class of infrastructure and to encourage efforts with a national registry of multimodal facilities to enable fair price discovery, ensure optimal utilisation, and support planned development, a national grid of logistics parks and terminals is being planned. The government has begun to devise certain standards and guidelines that will be implemented for the development of warehousing. The government plans to optimise procedures for obtaining clearances that make the procedure of establishing warehouses efficient, while setting up a system for rating and certifying those warehouses for excellence.

**India's port sector growth****1433**

MMT, cargo that Indian ports handled in FY 2022-23

**1319**

MMT, cargo that Indian ports handled in FY 2021-22

**8.6**

% YoY volume growth by Indian ports in FY 2022-23

**Role of major ports****783**

MMT, cargo traffic tonnage handled across Indian major ports, FY 2022-23

**720**

MMT, cargo traffic tonnage handled across Indian major ports, FY 2021-22

**Growing role of non-major ports****650**

MMT, cargo traffic tonnage handled across Indian non-major ports, FY 2022-23

**599**

MMT, cargo traffic tonnage handled across Indian non-major ports, FY 2021-22

**Growth of Indian ports****3.5**

% CAGR of all-India ports volume since FY 2017-18

**2.9**

% CAGR of Indian major ports volume since FY 2017-18

**4.2**

% CAGR of Indian non-major ports volume since FY 2017-18

Source: Ministry of Shipping

**Increasing market share of non-major ports****76**

%, major port share in India's port cargo handled, 2001

**55**

%, major port share in India's port cargo handled, 2023



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## **Catalysts of the growth of non-major ports**

Emergence of state-of-the-art port infrastructure

Addition of the right assets at the right locations at the right time

Proactive investment in new terminals, berths and storage facilities

Enhanced focus on port connectivity, especially rail & road connectivity

Flexible and competitive services

Value-added services at non-major ports



# Building for Tomorrow

How this commitment has helped enhance APSEZ's contribution to the Indian economy and its ports sector

How APSEZ has helped catalyse the India growth story through our port cum logistics solution

Taking the business of **customers ahead**

**Trade enabler:**  
Efficiently connecting India with the global logistics supply chain

**Efficient:**  
Efficient mover of goods between Point A and Point B

**Catalyst:** Helping users moderate their resource inventory and working capital intensity

**Timely:** Providing products just-in-time when users need them

**Multi-modal:**  
Utilising diverse transportation modes to provide an efficient logistics solution

**Peace of mind:** Liberating manufacturers from managing inventory and resource mobilisation



## Helping take the **country ahead**

**Cost saver:** Helping moderate India's logistics cost as a % of GDP

**Driver:**  
Providing the Make in India and Make for World movement an edge

**Alignment:**  
Aligned with India's vision to achieve net zero by 2070 and reduction of emission intensity of its GDP by 45% by 2030

**Green transportation:**  
Increasing rail bound cargo volume (road to rail conversion), focus on coastal cargo movement

**Multi-modal Transportation:**  
Facilitating coastal volume and Rail-Sea-Rail movement, reducing import bill

**Standards:**  
Creating higher operating standards for the sector, enhancing national benchmarks

**Industrialisation:**  
Developing port-based SEZ and industrial parks to foster regional economic development

**Cleaner fuels:**  
Contributing to a gas-based economy; building state-of-the-art gas handling infrastructure, especially LPG & LNG facilities

**Technology:**  
Invested in digital technologies to enhance port operational productivity

**Livelihoods:**  
Created thousands of jobs and created a generation of skilled workers

**Sustainability:**  
Leading the industry in the implementation of sustainability standards

**Exchequer:**  
Enhanced exchequer contribution through corporate tax, rail freight, revenue share, customs duty and GST

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 Extending infrastructure to service
 

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# Logistics at APSEZ: Proactive evolution to what India will need tomorrow

APSEZ has been enhancing the logistical effectiveness of its customers for a quarter of a century

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 The APSEZ investment discipline
 

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**Policy relevance:**

APSEZ has invested in logistics to emerge as a transportation utility in line with government policies

**Service:**

At APSEZ, our transportation utility avatar has been woven around bringing the customer into a serious conversation possibly for the first time in India's ports sector.

**Benchmark:**

At APSEZ, we have invested in adjacent modes and business segment, helping build a futuristic and value-added transportation utility company

**Paradigm shift:**

At APSEZ, we built our personality around a modern 'logistics partner of choice' positioning over the conventional 'port of convenience' approach across ports

**Integrated:**

At APSEZ, we created a transportation utility proposition through the integration of all infrastructure arms (beyond port intermediation)

**Customer value:**

At APSEZ, a combination of lower vessel berthing time (pre-berthing delays) and rapid evacuation of cargo (using road, rail, ports, parks, inland waterways and airports) makes it possible to deliver cargo faster

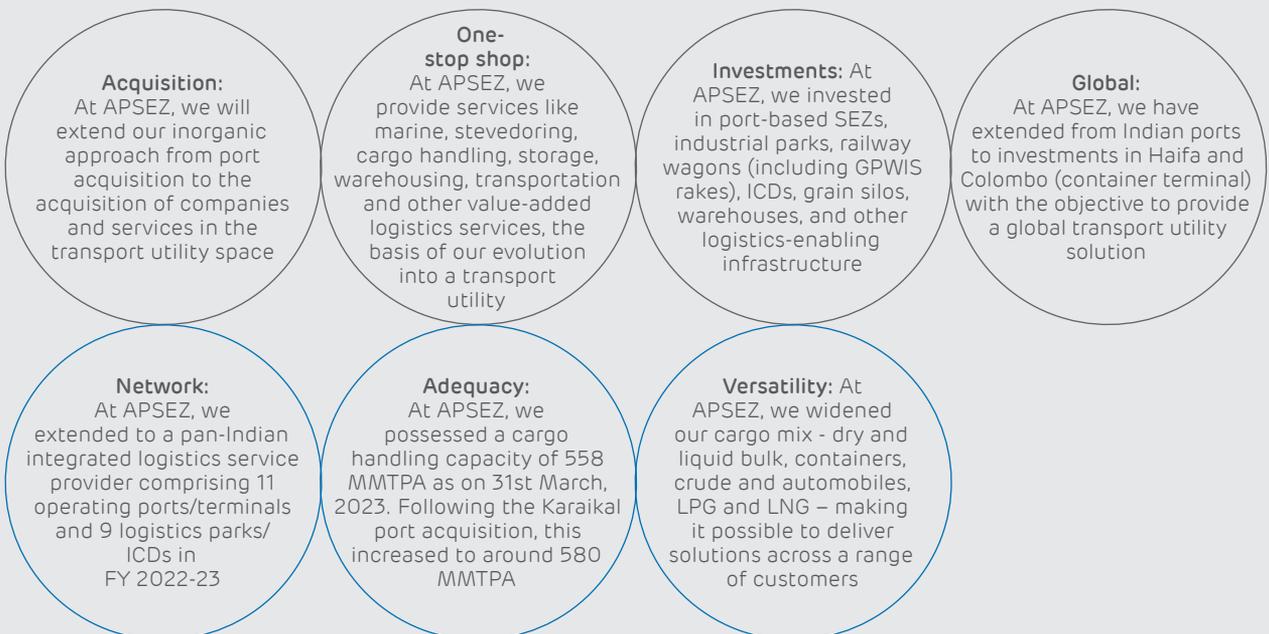
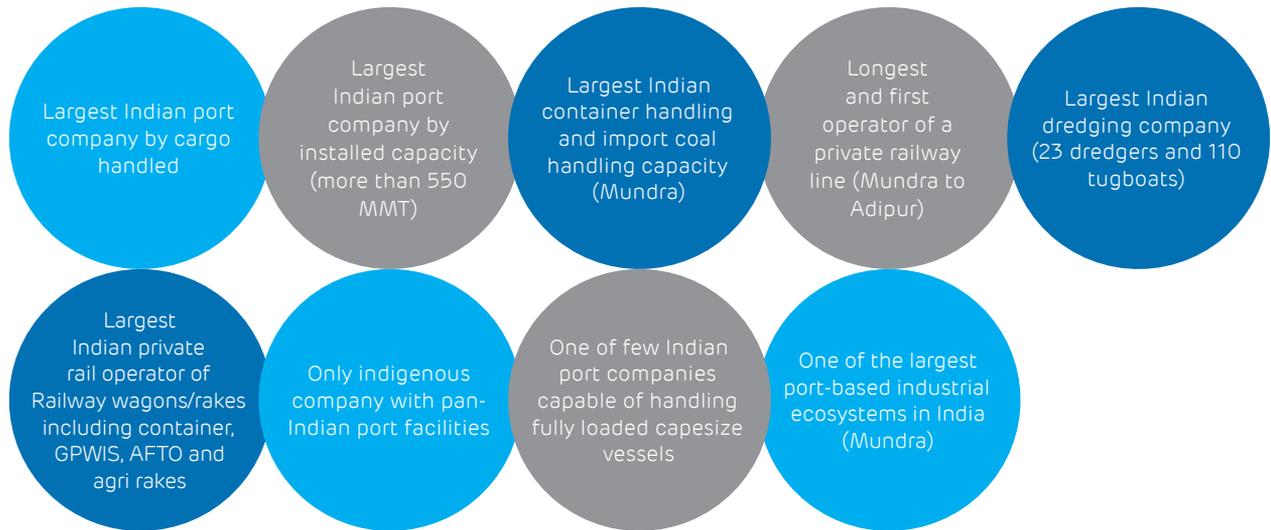
**Counter-inflation:**

At APSEZ, our port-cum-logistics-cum transport utility solution has underperformed inflation, strengthening national competitiveness

**Proactive investor:**

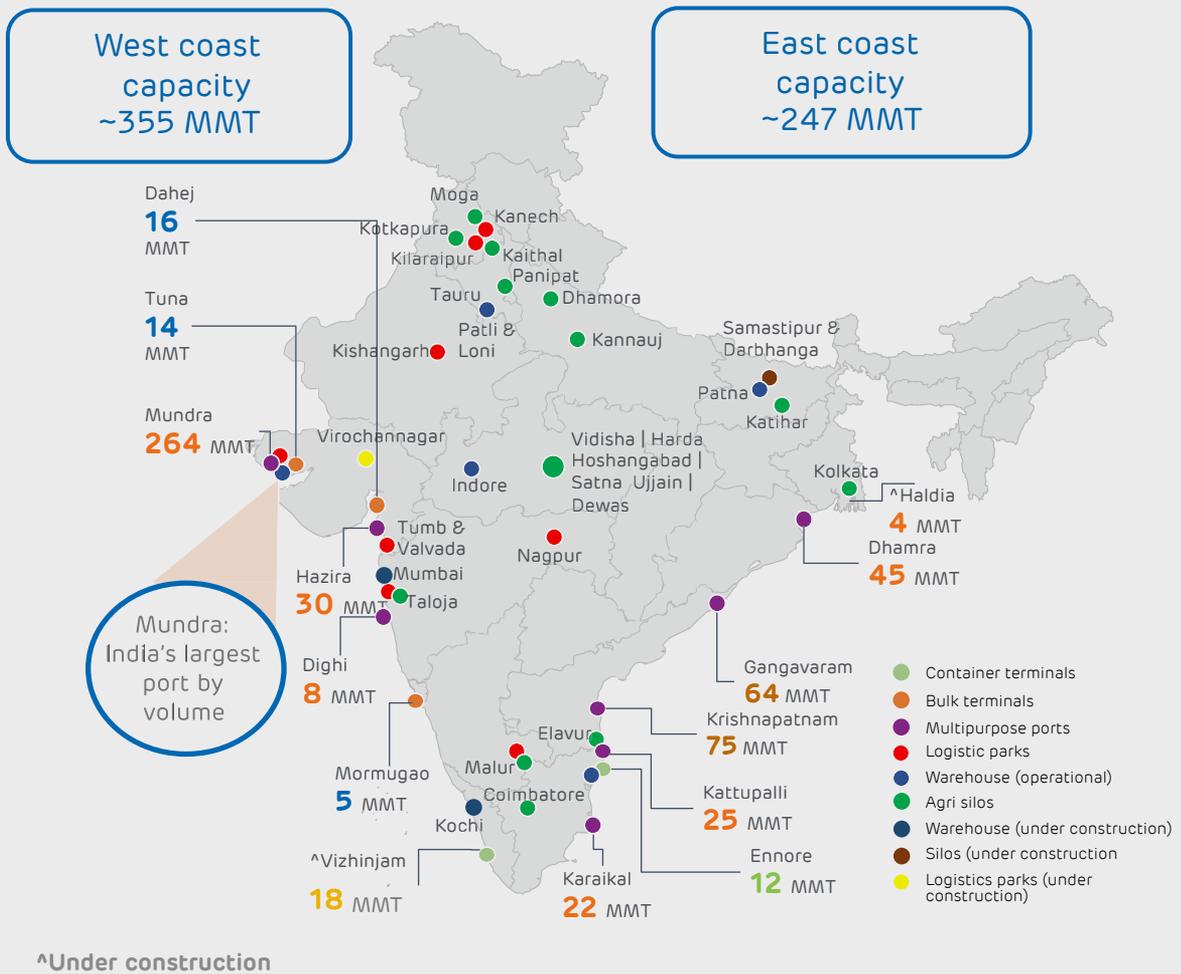
At APSEZ, our 'invest today, business will follow commitment' is visible in port capacity creation and extension into transport utility services

The outcome of APSEZ's **investment discipline**



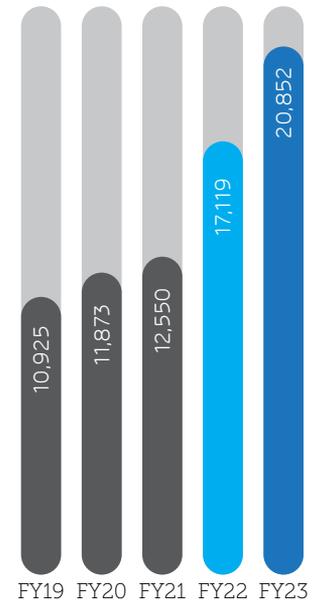


# APSEZ port capacity

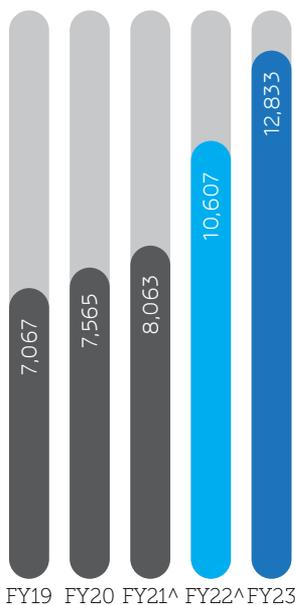


# How we have performed across the years

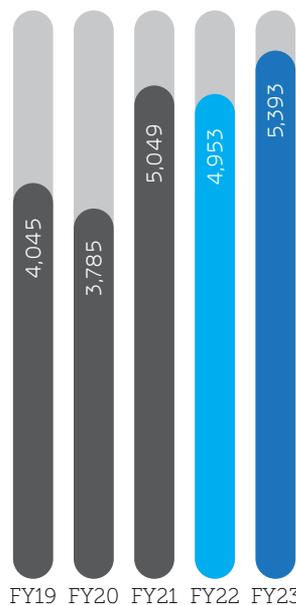
Revenues (₹ in crore)



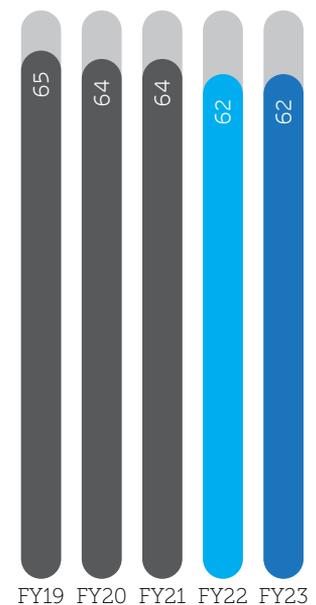
EBITDA (₹ in crore)



Net profit (₹ in crore)

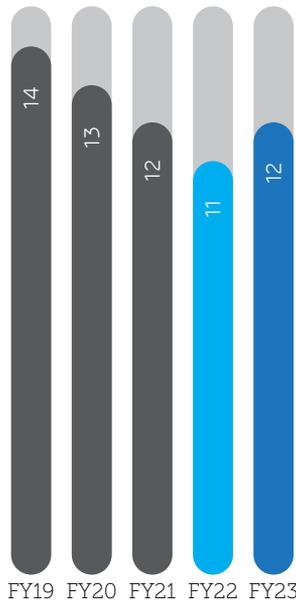


EBITDA margin (%)

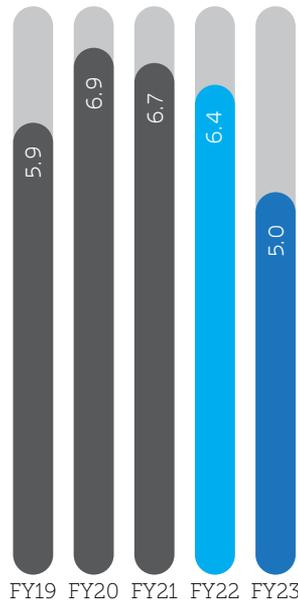


<sup>^</sup>Excludes one-time transaction cost of ₹60 crore in FY 2021-22 and a donation of ₹80 crore in FY 2020-21  
<sup>^</sup>FY 2021-22 EBITDA excludes ₹ 210 crore of SRCPL/GPL transaction cost

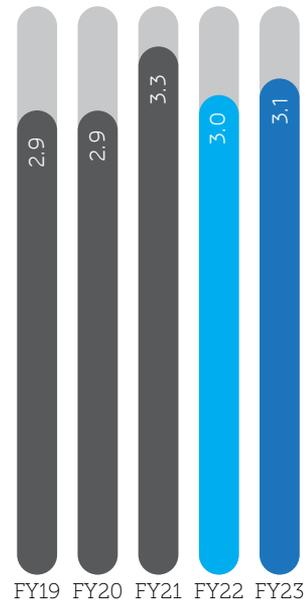
**ROCE (%)**



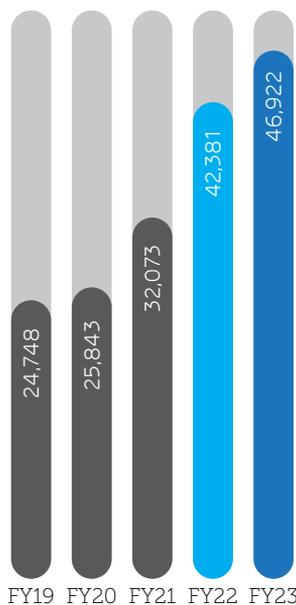
**Average debt cost (%)**



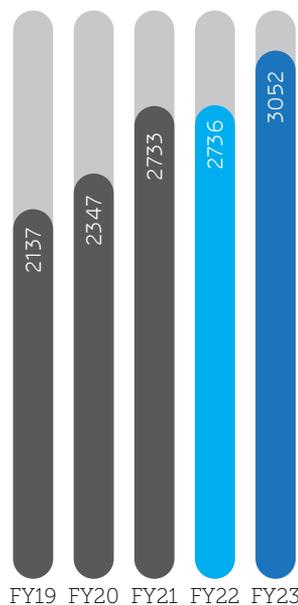
**Net Debt to EBITDA (x)**



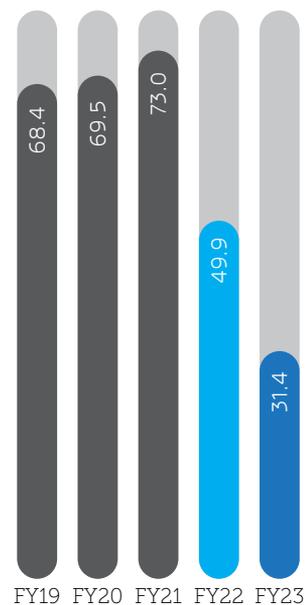
**Net Worth (₹ in crore)**



**Employees (numbers)**



**CSR spending (₹ in crore)**



# This is how we invested in our tomorrow across the years

1998 to  
2013: Local  
port operator  
(Development  
phase)

- Started a captive jetty in Mundra.
- Signed a concession agreement for cargo handling at Mundra.
- Developed India's first and longest private railway line connecting Mundra to Adipur.
- Signed agreements with Indian Oil Corporation and Hindustan Mittal Energy to set up a single-point mooring unit and crude oil handling facilities in Mundra
- Commenced operations at the first non-captive single-point mooring facility in Mundra
- Signed a sub-concession agreement with P&O Ports for operations at Mundra International Container Terminal — Container Terminal 1.
- Mundra emerged as the largest coast-based SEZ in India (following enactment of SEZ Act)
- Commissioned an inland container depot at Patli in northern India
- Commissioned a second container terminal in Mundra
- Commissioned an automobile handling terminal in Mundra
- Commissioned an MMLP at Kishangarh in Northern India
- Commissioned a coal and bulk terminal in Mundra
- Commissioned a dry bulk terminal at Dahej in Gujarat
- Doubled rail connectivity between Mundra and Adipur
- Commissioned a multi-cargo port terminal in Hazira
- Assumed operations at Container Terminal 3 in Mundra through a joint venture AICTPL; commissioned the south basin in Mundra

**2014 to 2020:  
Pan-India port operator**

- Mundra became the first commercial port in India to handle more than 100 MMTPA of cargo.
- Mundra became the largest commercial cargo handling port of India in FY 2013-14.
- Signed a concession agreement to develop a container terminal at Ennore Port.
- Acquired the port of Dhamra, Odisha, on the east coast of India.
- Terminals at Mormugao and Kandla (Tuna Tekra) commenced commercial operations
- Signed a concession agreement to develop a deep-water container terminal at Vizhinjam Port
- Signed an in-principle agreement to acquire Kattupalli Port
- Commenced operations at the Kattupalli Port
- Container terminal 4 (JV with CMA CGM) at Mundra commenced operations.
- Acquired Adani Agri Logistics Ltd. (AALL) to enter into storage and movement of food grains
- Acquired Innovative B2B Logistics, a prominent domestic player with a presence in the Northern and Eastern hinterlands.

**2021 to 2023: Global Port/Terminals Operator**

- Acquired Krishnapatnam port
- Acquisition of Dighi Port
- Mundra became the first commercial port in India to handle more than 150 MMTPA cargo
- APSEZ achieved an international milestone by signing BOT agreement with Sri Lanka Port Authority to develop a container terminal in Colombo port
- Acquisition of Gangavaram Port
- Acquisition of Ocean Sparkle Ltd. (OSL)
- Signed a concession agreement for the mechanisation of Berth Number 2 (DBFOT) basis in Haldia
- Received a letter of intent to award for a greenfield port at Tajpur in West Bengal
- Acquired 49.38% stake in IOTL
- Acquired a stake in Haifa Port in Israel (the first international operating port acquisition)
- Acquisition of ICD Tumb, one of the largest ICDs in the country

**THE ADANI PORTFOLIO OF COMPANIES**

The multi-business Adani portfolio of companies is one of the most dynamic industrial conglomerates in India.

**Vision:** To be a world-class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.


**VALUES**


**Courage:** We shall embrace new ideas and businesses

**Trust:** We shall believe in our employees and other stakeholders

**Commitment:** We shall stand by our promises and adhere to high standards of business



Engaged in nation building



Enhancing stakeholder value



Enriching communities of its presence

**Culture****Passion**

Performing with enthusiasm and energy

**Results**

Consistently achieving goals

**Integration**

Working across functions and businesses to create synergies

**Dedication**

Working with commitment in the pursuit of our aims

**Entrepreneurship**

Seizing new opportunities with initiatives and ownership

## The promoter

The Adani portfolio of companies has been promoted by the visionary industrialist Mr. Gautam Adani. The Adani portfolio of companies was founded by Mr. Gautam Adani in 1988 with a commodity trading business under the flagship company Adani Enterprises Limited (previously Adani Exports Limited).

## The Adani portfolio of companies

Headquartered in Ahmedabad, India, the Adani portfolio of companies comprises the largest and fastest-growing portfolio of diversified businesses in India with interests in Logistics (seaports, airports, logistics, shipping and rail), Resources, Power Generation, Transmission & Distribution, Renewable Energy, Gas & Infrastructure, Agro (commodities, edible oil, food products, cold storage and grain silos), Real Estate, Public Transport Infrastructure, Cement, Media, Defence & Aerospace, Mining Services, Copper, Petrochemicals, Data Centre and other sectors.

## The scale

Most Adani portfolio businesses are among the largest in India, marked by attractive economies of scale.

**Adani Ports and Special Economic Zone Limited** is the largest private sector port operator in India.

**Adani Green Energy Limited** is among the largest renewable energy businesses in the world.

**Adani Transmission Limited** is the largest private sector transmission and distribution company in India.

**Adani Total Gas Limited** is the largest city gas distribution business in India.

**Ambuja Cements Limited** (with subsidiary ACC Limited) is the second largest cement manufacturer of India and an iconic cement brand.

**Adani Enterprises Limited** is India's largest business incubation company.

**Adani Power Limited** is the largest private sector thermal power producer in India.

**Adani Wilmar Limited** holds the position of being India's largest edible oil brand.

**NDTV Limited** is among India's most trusted media companies.

## The visibility

The Adani portfolio comprises ten publicly traded companies.

## The positioning

The Adani portfolio of

companies has positioned itself as a leader in the transport logistics and energy utility portfolio businesses in India. This portfolio of companies has focused on sizable infrastructure development in India with operations and maintenance (O&M) practices benchmarked to global standards.

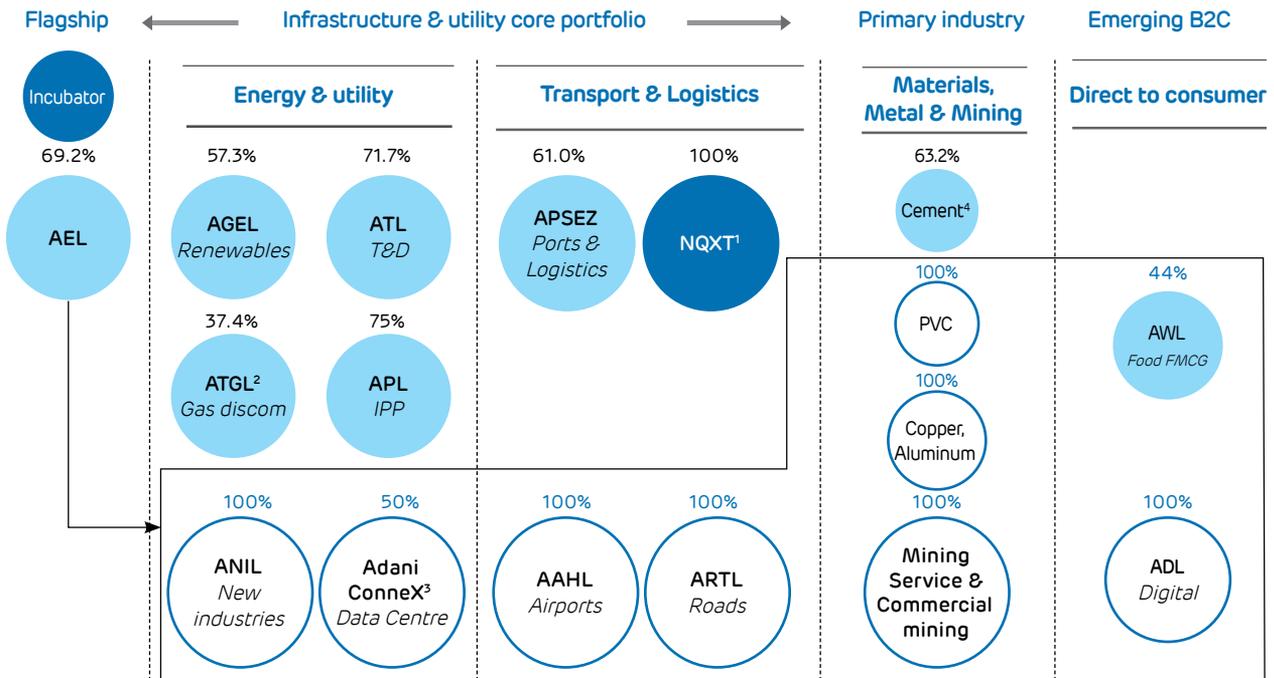
## The core philosophy

The core philosophy of the Adani portfolio of companies is 'Growth with Goodness', its beacon for sustainable growth. The Adani portfolio of companies is committed to widening its ESG footprint with an emphasis on climate protection and increasing community outreach through CSR programmes woven around sustainability, diversity and shared values.

## The credibility

The Adani portfolio of companies comprises four IG-rated businesses and is the only Infrastructure Investment Grade bond issuer from India.

# The Adani Group: A world-class infrastructure & utility portfolio



**A multi-decade story of high growth centred around infrastructure and utility core**

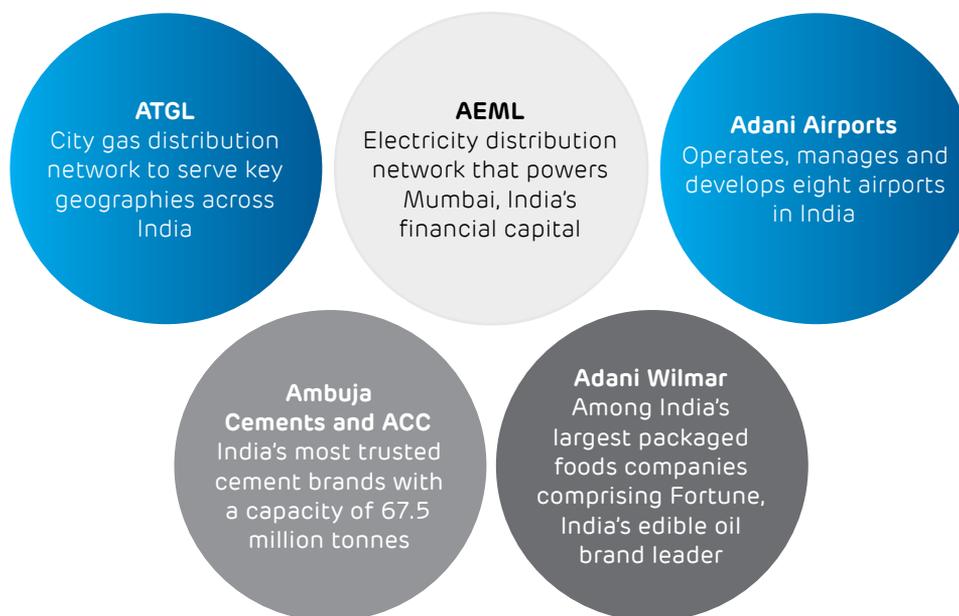
(%): Promoter equity stake in Adani Portfolio companies

(%): AEL equity stake in its subsidiaries

● Listed entities

<sup>1</sup> NQXT: North Queensland Export Terminal | <sup>2</sup> ATGL: Adani Total Gas Limited, JV with TotalEnergies | <sup>3</sup> Data center, JV with EdgeConnex | <sup>4</sup> Cement business includes 63.15% stake in Ambuja Cements Limited which in turn owns 50.05% in ACC Limited. Adani directly owns 6.64% stake in ACC Limited  
**AEL:** Adani Enterprises Limited; **APSEZ:** Adani Ports and Special Economic Zone Limited; **ATL:** Adani Transmission Limited; **T&D:** Transmission & Distribution; **APL:** Adani Power Limited; **AGEL:** Adani Green Energy Limited; **AAHL:** Adani Airport Holdings Limited; **ARTL:** Adani Roads Transport Limited; **ANIL:** Adani New Industries Limited; **AWL:** Adani Wilmar Limited; **ADL:** Adani Digital Limited; **IPP:** Independent Power Producer

## The Adani portfolio of companies: Marked shift from B2B to B2C businesses



### Adani portfolio of companies: Locked-in infrastructure growth

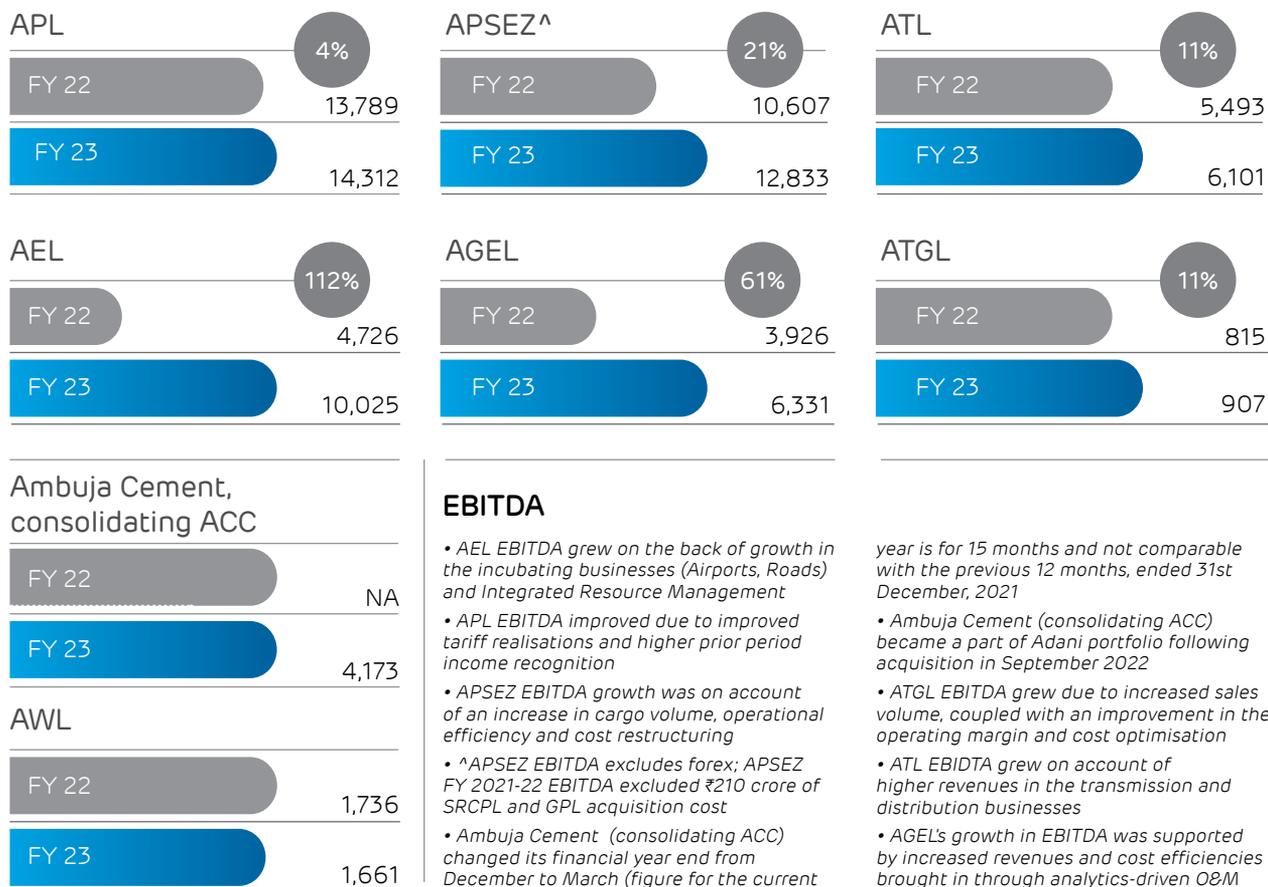
<b>Transport &amp; logistics</b> Airports and Roads	<b>Energy &amp; Utility</b> Renewables/ Transmission & Distribution/ City Gas/ Power Generation	<b>APSEZ</b> Adani Ports and Special Economic Zone Limited	<b>NQXT</b> North Queensland Export Terminal	<b>ATMSPL</b> Adani Tracks Management Services Pvt. Ltd. (formerly Sarguja Rail Corridor Pvt. Ltd.)
<b>AAHL</b> Adani Airports Holdings Ltd.	<b>ATL/APL/AGEL/ATGL</b> Adani Transmission / Adani Power / Adani Green Energy / Adani Total Gas	<b>ANIL</b> Adani New Industries Limited (a green hydrogen ecosystem)	<b>ARTL / AWL</b> Adani Road Transport Limited / Adani Wilmar Ltd	<b>T&amp;D / IPP</b> Transmission and Distribution / Independent Power Producer

# The Adani portfolio of companies: Repeatable & proven transformation investment model

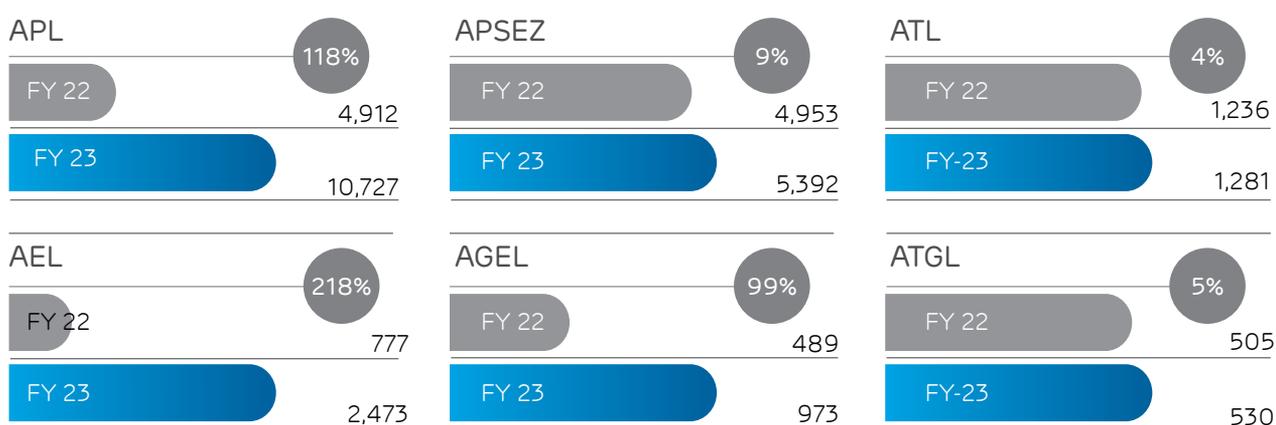
	Phase	Development		Operations	Post operations
Activity	Origination	Site development	Construction	Operation	Capital management
	<ul style="list-style-type: none"> <li>Analysis &amp; market intelligence</li> <li>Viability analysis</li> <li>Strategic value</li> </ul>	<ul style="list-style-type: none"> <li>Site acquisition</li> <li>Concessions and regulatory agreements</li> <li>Investment case development</li> </ul>	<ul style="list-style-type: none"> <li>Engineering &amp; design</li> <li>Sourcing &amp; quality levels</li> <li>Equity &amp; debt funding at project level</li> </ul>	<ul style="list-style-type: none"> <li>Life cycle O&amp;M planning</li> <li>Technology-enabled O&amp;M</li> </ul>	<ul style="list-style-type: none"> <li>Redesigning the capital structure of assets</li> <li>Operational phase funding consistent with asset life</li> </ul>
Performance	<ul style="list-style-type: none"> <li>India's largest commercial port (at Mundra)</li> </ul>	<ul style="list-style-type: none"> <li>Completed one of the longest private HVDC line (Mundra – Mahendragarh)</li> </ul>	<ul style="list-style-type: none"> <li>2,140 MW hybrid cluster operationalised in Rajasthan in FY 2022-23</li> </ul>	<ul style="list-style-type: none"> <li>Energy Network Operation Center</li> <li>Centralised continuous plants monitoring across India on a cloud-based platform</li> </ul>	<ul style="list-style-type: none"> <li>First GMTN of US\$ 2 billion by an energy utility player in India and sustainability-linked bond</li> <li>AGEL tied up 'Diversified Growth Capital' with a revolving facility of US\$ 1.64 billion for fully funding its project pipeline</li> <li>Issuance of 20 and 10-year dual tranche bond of US\$ 750 million</li> <li>Green bond issuance of US\$ 750 million</li> </ul>
	Highest margin among peers	Highest line availability	India's first and world's largest solar-wind hybrid cluster	Centralised continuous monitoring of solar and wind plants across India on a cloud-based platform	<p><b>Debt structure moving from PSU banks to bonds</b></p> <p> <span style="color: #0070C0;">●</span> PSU banks                     <span style="color: #0070C0;">●</span> Private banks                     <span style="color: #0070C0;">●</span> Bonds                     <span style="color: #0070C0;">●</span> NBFCs &amp; FIs                     <span style="color: #0070C0;">●</span> DII                     <span style="color: #0070C0;">●</span> Global International Banks                     <span style="color: #0070C0;">●</span> PSU-capex LC                 </p>

## How the Adani portfolio of companies performed in FY 2022-23

### EBIDTA (growth %)



### PAT (growth %)



# The Adani portfolio of companies' platform comprises foresight, operational excellence, outperformance and leadership



## The Adani portfolio of companies' businesses



## The Adani portfolio of companies' growth platform



### The Adani portfolio of companies

**India overview:** We, at Adani, believe in and bet on India. In the last three decades, India has not just grown faster; but has also compressed the GDP growth of the earlier decades into fewer years. India is expected to transition from a US\$ 3.75 trillion economy to a US\$ 5 trillion economy in the next few years.

At Adani portfolio of companies, we proactively invested in businesses that are expected to ride India's middle-income consumption engine. The Adani portfolio of companies invested not on the basis of what is, but on what can be. By making disproportionate investments, it intends to shift the needle not just for its investee Company but for the country as a whole - with the objective of extending access, reducing costs, widening the market and, in doing so, helping strengthen India.

**Competitive advantage:** At the Adani portfolio of companies, we believe that the ability to make a significant national contribution can only be derived

from a broadbased competitive advantage that is not dependent on any one factor but is the result of an overarching culture of excellence – the coming together of adjacent businesses, deep sectorial experience, ability to commission projects faster than the sectorial curve, competence to do so at a cost lower than the industry average, foresight to not merely service the market but to grow it, establish decisive sustainable leadership and evolve the Company's position into a generic name within the sector.

**Relatively non-mature spaces:** The Adani portfolio of companies has entered businesses that may be considered 'maturely non-mature'. Some of the businesses can be classified as mature, based on the enduring industry presence and the conventional interpretation of their market potential; these businesses can be considered non-mature by the virtue of their vast addressable market potential and the superior Adani portfolio of companies value proposition. The result is that the Adani portfolio

of companies addresses sectorial spaces not on the basis of existing market demand but on the basis of prospective market growth following the superior Adani sectorial value proposition.

**Outsized:** The Adani portfolio of companies established a respect for taking outsized bets in select sectors and businesses without compromising Balance Sheet safety. The portfolio of companies establishes a large capacity aspiration that sends out a strong message of its long-term direction. Its outsized initial capacity establishes economies of scale within a relatively short time horizon that deters prospective competition and generates cost leadership (fixed and variable).

**Technology:** The Adani portfolio of companies invests in the best technology standards that could generate precious additional basis points in profitability and help more than recover the additional cost (if at all) paid within a short tenure. This superior technology standard evolves into the Company's sustainable

competitive advantage, respect, talent traction and profitability.

**Execution excellence:** The Adani portfolio of companies has built a distinctive specialisation in project execution, one of the most challenging segments in India. The portfolio of companies has established benchmark credentials in executing projects faster than the sectorial average by drawing from the multi-decade Adani pool of managerial excellence across a range of

competencies. This capability has resulted in quicker revenue inflow, increased surplus and competitive project cost per unit of delivered output.

**Flexible capital structure:** The Adani portfolio of companies has created a robust financial foundation of owned and borrowed funds. This enhanced credibility makes it possible for the Adani portfolio of companies to mobilise resources from some of the largest global lenders at

around the lowest costs. This approach helps transform these marquee institutions from mere lenders to stable resource (fund or growth) providers for the long-term.

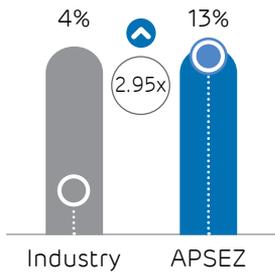
**Ownership**

The Adani portfolio of companies comprises a high promoter ownership, validating a commitment and ownership in projects.

## Adani portfolio outperformance

### Cargo volume

(MMT)

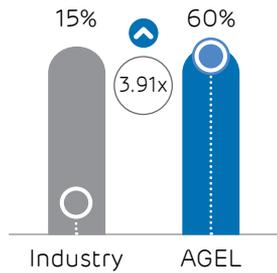


2014	972	113
2023	1433	339.30



### Renewable capacity growth

(GW)

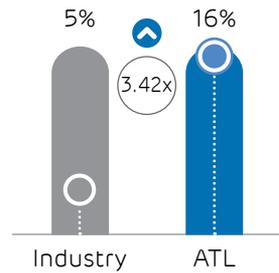


2016	46	0.3
2023	125	8.086



### Transmission network growth

(ckm)

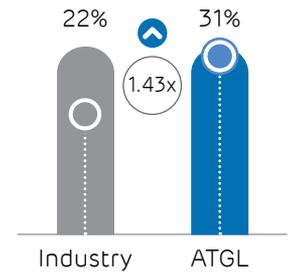


2016	3,41,551	6,950
2023	4,71,341	19,779



### City gas distribution growth

(GAs covered)



2015	62	6
2023	295	52



Transformative model driving scale, growth and free cash flows

**GW:** Gigawatt, **GAs:** Geographical Areas, **MMT:** Million metric tonne, **CKM:** Circuit kilometer

## The Adani portfolio: Establishing national and global benchmarks

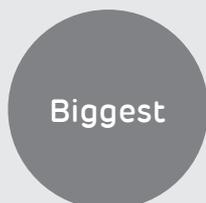


**India's** largest commercial port (Mundra)

**India's** largest single location private thermal IPP (Mundra)

**India's** largest private sector ports company

**World's** largest wind-solar hybrid operational power project - 2,140 Mw in Rajasthan



**Port** company enjoying the highest margin among peers

**Among** the highest transmission

line availability benchmarks in India

**Largest** airport infrastructure company in India

**One** of India's largest port-based edible oil refinery with a capacity of 5,000 MT per day

**Leading** edible oil player (number two in Wheat Flour and number three in Basmati Rice)



**648 MW** solar power plant  
The Kamuthi plant was commissioned in only nine months



**897 ckm**  
The length of one of the India's longest intra-state transmission lines that was completed (Ghatampur Transmission Limited)

## CHAIRMAN'S MESSAGE

The Adani Group will continue to consolidate what it has built while looking at expanding its horizons.



Dear shareholders,

A few months ago, I heard a new term called Permacrisis. I learnt that the Collins dictionary had defined it as 'An extended period of instability and insecurity'. It also chose it as the Word for the Year 2022. Interestingly, I also learnt that two other words that were in the running for the top spot were 'quiet quitting', which meant doing the bare minimum duties at work (in rejection of competitive careerism) and 'vibe shift', which meant a significant change in the prevailing culture. What I find fascinating is that in the post-Covid world, these words accurately summarise changes that we see happening around us.

## A Global Reset is Underway

There can be no denying that the world is continuing to be hit by multiple shocks, be it the climate emergency, geopolitical disequilibrium, supply chain and energy volatility, or persistent inflation. What does make the situation a permacrisis is the fact that we have never had a time wherein all these events happened simultaneously and

without a clear solution in sight. Add to this the opportunities and challenges because of the technological revolution, especially the breathtaking advances in artificial intelligence, and what we have is a massive potential reset in the existing global operating models. The future of work, the future of learning, the future of

medicine, and in some ways, the future of economic growth itself will need to be reset. Therefore, as we end one financial cycle and begin another, it is important to step back and assess the global economic situation and India's position as a part of this landscape.

## India – The Beacon of Hope

While economic cycles are getting increasingly hard to forecast, there is little doubt that India, already the world's fifth largest economy, will become the world's third largest economy well before 2030 and, thereafter, the world's second largest economy by 2050.

It is well understood that for any economy to lay the foundation of growth, a stable Government is critical. We have seen this impact with the implementation of several structural reforms that are critical for strong, sustainable, and balanced growth. This stability, coupled with India's young demographics and continued expansion of internal demand, is a potent combination.

Our nation's demographic dividend is expected to drive consumption and accelerate the growth of a tax paying society at a record pace over the next three decades. The United Nations Population Fund (UNFPA) projects that India's median age will be just 38 years even in 2050. Over this period, India's population is expected to grow by approximately 15 % to 1.6 billion, but the per capita income could accelerate by over 700 % to about US dollars 16,000. On a purchasing power

parity basis, this per capita metric could be three to four times higher. The growth of this consuming middle-class is expected to insulate us to some extent from global recessions as our growth is primarily driven by domestic demand. This, in turn, should drive a surge in private and government expenditures, as well as attract increasing foreign direct investments.

We have the statistics to prove it. Following independence in 1947, it took us 58 years to get to our first trillion dollars in GDP, 12 years to get to the next trillion and just five years to the third trillion. I anticipate that within the next decade, India will start adding a trillion dollars to its GDP every 18 months, putting us on track to emerge as a 25 to 30 trillion dollar economy by 2050. This could potentially drive India's total market capitalisation to over US\$ 40 trillion, an approximate 10x expansion from the current levels.

I urge you to reflect on these incredible possibilities. India's success story of balancing economic growth and a vibrant democratic society has no parallel and a result, my belief in the India growth story has never been higher.

Our nation's demographic dividend is expected to drive consumption and accelerate the growth of a tax paying society at a record pace over the next three decades.

## The Short selling Incident

Let me now address the short-selling issue that impacted us early this year. On the eve of our Republic Day, a US-based short-seller published a report just as we were planning to launch the largest Follow-on Public Offering (FPO) in India's history. The report was a combination of targeted misinformation and outdated, discredited allegations aimed at damaging our reputation and generating profits through a deliberate drive-down of our stock prices.

Subsequently, despite a fully subscribed FPO, we selected to withdraw and return the money to our investors to protect their

interests. The short-selling incident resulted in several adverse consequences that we had to confront. Even though we promptly issued a comprehensive rebuttal, various vested interests tried to opportunistically exploit the claims made by the short seller. These entities engaged and encouraged false narratives across various news and social media platforms. Consequently, the Hon'ble Supreme Court of India constituted an Expert Committee to look into this matter. It comprised individuals known for their independence and integrity. The report of the Expert Committee was made public in May 2023.

The Expert Committee did not find any regulatory failure. The Committee's Report not only observed that the mitigating measures, undertaken by your Company helped rebuild confidence but also cited that there were credible charges of concerted destabilisation of the Indian markets. It also confirmed the quality of our Group's disclosures and found no instance of regulatory failure or any breach. While the SEBI is still to submit its report in the months ahead, we remain confident of our governance and disclosure standards.



## The Adani Group: Resilient, Stronger and Record Results for FY 2022-23

Over the past three decades, I have learnt that growth comes with its set of challenges. Every challenge we have faced has made us more resilient. This resilience is vindicated by the outcomes we deliver.

Our FY 2022-23 operational and financial results are as much a testimony to our success as a testimony to the continued expansion of our customer base – be it on the B2B side or the B2C side. Our Balance Sheet, our assets, and our operating

cashflows continue to get stronger and are now healthier than ever before. The pace at which we have made acquisitions and turned them around is unmatched across the national landscape and has fuelled a significant part of our expansion. Our national and international partnerships are proof of our governance standards. The scale of our international expansions has been validated by our successes in Australia, Israel, Bangladesh, and Sri Lanka.

## Some Group Highlights

Our Group is now constituted of 10 publicly traded entities, each with its own set of successes. I have listed below some key highlights across the various businesses.

- 1** The Adani Group of companies set new financial performance records with:
  - Total EBITDA grew by 36% to ₹57,219 crore,
  - Total income grew by 85% to ₹2,62,499 crore, and
  - Total PAT grew by 82% to ₹23,509 crore.
- 2** The Group's deleveraging program of US\$ 2.65 billion for the Adani portfolio companies was completed successfully and further improved our Net Debt to run rate EBITDA ratio from 3.2x to 2.8x in FY 2022-23.
- 3** Our flagship company, Adani Enterprise Limited (AEL) continued to successfully demonstrate its incubation capabilities with new businesses accounting for 50% of its EBITDA in FY 2022-23.
  - Of the several projects underway, two key ones include the Navi Mumbai Airport and the Copper Smelter, which are on schedule.
- The Integrated Resource Management (IRM) volume increased by 37% to 88.2 MMT versus 64.4 MMT in FY 2021-22
- In the area of the media business, AEL acquired New Delhi Television Ltd (NDTV) and a 49% stake in Quintillion Business Media Limited.
- 4** We are set to play a critical role in India's Net Zero carbon footprint journey. The renewable energy business, Adani Green Energy Limited, commissioned the world's largest hybrid solar-wind project of 2.14 GW in Rajasthan; the operational renewable energy portfolio grew 49% to over 8 GW, the largest operational renewable portfolio in India.
- 5** The backward integration plans in the renewable energy value chain progressed as planned.
  - A new solar module line plant of 2 GW was operationalised and
  - The existing 1.5 GW module line was upgraded to 2.0 GW using the TOPCON Cell Technology.
- 6** The ports business continued to be the pillar of strength on all fronts. APSEZ continues to be amongst the most profitable port operators globally with a port EBITDA margin of 70%.
- 7** Adani Power Ltd. successfully commissioned the 1.6 GW ultra-super critical Godda power plant and is now supplying power to Bangladesh, which marks our entry into transnational power projects.
- 8** The transmission and distribution businesses set new benchmarks. The Mumbai distribution business achieved a reliability of 99.99% and was ranked the number one discom by the Union Ministry of Power.
- 9** Adani Total Gas Ltd, expanded access to clean cooking fuel to 124,000 households last year with a 46% increase in revenue to ₹4,683 crore and is transforming into a full spectrum sustainable energy provider following its foray into the e-mobility and biofuel businesses.
- 10** Lastly, on the partnership front, we continue to attract global investment partners aligned with our long-term approach of building and operating world-class assets. In March 2023, we successfully executed a secondary transaction with GQG partners of US\$1.87 billion despite volatile market conditions.

## It is all about a Better Tomorrow

The India in which we live today is the most exciting land of opportunities with blossoming entrepreneurial spirit. Every day is a beginning of something new, innovative, and transformative. We have always believed in our 'growth with goodness' philosophy and our track record speaks for itself. Your Group will continue to consolidate

what it has built while looking at expanding its horizons. Our customers speak for us, our investors speak for us, our shareholders speak for us, and our results for speak for us. On behalf of your Company, I reaffirm and assure that we are committed to the highest levels of governance and regulatory compliance.

In closing, let me emphasise how grateful I am for all your support. It has been the greatest source of my strength and it is my promise to you that I will do my utmost to uphold the trust you have put in me and my team.

Thank you.

**Gautam Adani**



## STRATEGIC OVERVIEW

# We intend to grow our cargo volumes to ~1 billion tonnes by 2030, and are aiming to be the world's largest port company

When Adani Ports went into the business of port-based cargo intermediation, there was a material premium on service. The general recall of Indian ports was one of delays and demurrage; those who transacted were accustomed to bureaucratic processes that warranted an entire team within customer offices being dedicated to engagement with port executives; it was usual for cargo delivery or dispatch taking several days.

At Adani Ports, we studied these pain points and built our Company around the customer. Adani Ports resolved to bring the customer

into the discussion for the first time; the port was built with the customer in mind; there is no better indicator of this than the Company's commitment to perpetually invest ahead of the curve.

The conventional yardstick of investment in port capacity was by matching demand with corresponding investment. At Adani Ports, we extended beyond this conventional interpretation; we invested considerably higher than demand for two reasons: one, the conventional understanding comprised a waiting time of various days for vessels before

berthing, implying that no vessel could expect to be berthed as soon as it arrived, a reality we sought to correct; two, the operative figure was not capacity utilisation but the time taken before berthing, which was to be moderated to the extent possible and hence become the constant around which investments were made.

This priority sent out a response: that Mundra, where we first commissioned our port, was not like any other; the waiting time for a vessel was possibly the lowest in the country from the time we went into business; when this favorable word-of-mouth translated into an increased arrival of vessels, we moved proactively to enhance our capacity yet again. From a narrow financial perspective, our capacity utilisation was always going to be lower than the Indian port sector average. However, we began to more than make up for this low utilisation through enhanced revenue accretion and cargo handled.

### Contrarian

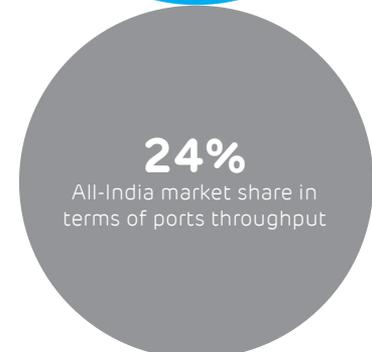
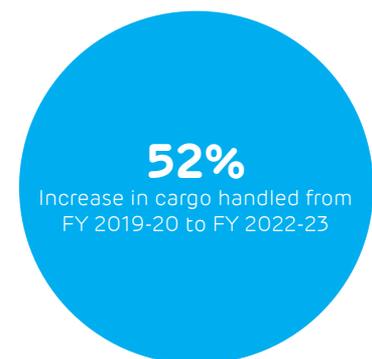
Through this contrarian approach, we were able to service vessels with shorter waiting times and enhanced vessel productivity. We even ventured to propose that we would compensate a vessel if we delayed their waiting time beyond a mutually acceptable tenure. The complement of these customer safeguards built our Company into one of the most customer-driven port companies in India where financial growth was a byproduct. We were not necessarily designed to become profitable from day one; we were principally designed to serve – and that made all the difference.

The reason why I have endeavoured to provide this perspective is that the last three years have been among the most challenging for the Indian economy in living memory. At a time when consumers moderated their spending at specific junctures – not just in India but across the world – the first implication was that port-based companies like ours would be immediately affected. What transpired was the reverse: your Company increased cargo handled from 223 million metric tonnes in FY 2021-20 to 339 million metric tonnes in FY 2022-23; correspondingly, our all-India market share in terms of ports throughput increased from 17% to 24%; our consolidated EBITDA increased from ₹7,565 crore in FY 2019-20 to ₹12,833 crore in FY 2022-23. At a time of unprecedented challenge, we demonstrated enhanced resilience.

### Responsiveness and responsibility

The two principal reasons behind our resilient outperformance were responsiveness and responsibility.

At Adani Ports, we have always been responsive to the prevailing environment, perpetually engaged in building for tomorrow. In the last few years, the one initiative across which this has been most visible has been in our extension from port-based intermediation to logistics. In the modern world, when one buys off an e-commerce marketplace, the principal recall is the nature of product purchased and the price paid for it. Seldom will someone even care to take notice of which company sold the product and who delivered. The result is that the importance of seller credibility – an important



**We will grow our cargo volumes from ~340 million tonnes in FY 2022-23 to 1 billion tonnes by 2030, while aiming to become the world's largest port company**

factor in purchase in the past – is taken for granted and has now been replaced by 'price' and 'time of delivery' becoming the most relevant.

At Adani Ports, we have leveraged this unfolding reality: we have extended from port intermediation to final products delivery. This is not something that transpired as an overnight flash; by exploring adjacencies within the business model, the Company made timely investments in rail connectivity that helped evacuate volume-driven commodities from Mundra with speed, helping cargo being delivered to customers across North and Northwest India (regions we serviced with a focus). The investment enhanced economies arising out of volume-driven transportation, strengthened the competitiveness of users who for long had suffered the absence of a proximate port and, most importantly, helped evolve a port-based cargo intermediation service into a delivered logistics solution.

#### **Seminal transformation**

If there is one seminal transformation in our existence that has transpired in the last couple of years, it is that we are making a structural extension in our business model: we are graduating into a transport utility. The words have been carefully selected: 'transport' refers to the capacity to move volumes from ports to customers and vice versa with speed, providing them a doorstep service and empowering them to focus on their core business while we assume the role of logistics partnership. The word 'utility' refers to scale and

the capacity of our customers to not even consider the option of a replacement, deepening our relevance in their businesses.

In some cases, we have graduated to providing customers products of their choice around pre-agreed prices irrespective of where we may have sourced the product from and from which of our ports we may have delivered. While this may appear as a leap from our original business model, the reality is that we have only extended into adjacent spaces by leveraging skills, insights and perspective we already possess. This extension – port gate to factory gate - has enhanced our revenue visibility and deepened our relevance within customers; we are no longer vendors; we have emerged as partners. We are no longer a peripheral service provider; we are playing a mission-critical role that is strengthening the competitiveness of our customers and the country.

#### **National benchmark**

The second 'R' that I wish to speak about is responsibility. Adani Ports is not just an aggregation of ports along the Indian coastline; by the virtue of having invested in technologies (mechanisation and digitalisation) we are also now a national efficiency benchmark within our sector; our people productivity is arguably the highest across all Indian ports.

An extension of our responsibility is that we will manage our business around governance elements that have been documented. This has enhanced clarity for all our stakeholders about not what we intend to

achieve as an outcome but the process of how we intend to go about doing so. Our governance commitment has been marked by transparency, quality disclosures, strong Balance Sheet, complete compliances, environment responsibility and addressing the needs of all stakeholders.

At Adani Ports, responsibility is not only about doing more with less; it is also about making the world cleaner and safer. Over the years, we invested ahead of the Indian statutory curve through initiatives that have helped moderate the use of fossil fuels, electricity and water. We have taken this commitment to its logical conclusion by outlining a target to become carbon neutral for port operations in 2025, and thereafter march towards our ambition of becoming net zero by 2040.

The complement of these various initiatives – integration into transport utility, technology accretion and environmental responsibility – is not only taking us ahead (onward) but is helping us graduate into a different orbit of profitability and customer relevance (upward). We believe that the onward-upward combination will translate into enhanced volume cum value for the Company across the foreseeable future.

The regular question that has been asked of us: how will this ensure a strong Balance Sheet? Do you see a risk to APSEZ's investment grade rating, given the Company's growth plans?

At Adani Ports, we are committed to a sustainable business growth and return for our investors. As a result, while we were growing

our topline and profits, we also focused on creating a capital structure aligned with the nature of our business. This has allowed us to comfortably service our debt and invest for growth.

The Company has now achieved a critical mass of relationships and revenues. With enhanced internal accruals our dependence on borrowings to fund our growth capex has declined considerably. This is well reflected in our numbers, with gross debt to net fixed asset ratio having seen a material decline in the last few years. With most of our sizable capital investments now completed, improvement in our liquidity position will continue, further strengthening our Balance Sheet.

During the year under review, Adani Ports made various acquisitions that will enhance our service offerings and profits. The Company extended to sea side services through the acquisition of Ocean Sparkle, which is India's third largest marine services provider with a service footprint comprising towage, pilotage, dredging and offshore services to clients in India and abroad and comprising a fleet of 94 owned vessels and 13 third-party owned vessels. The acquisition provides us with a presence across all major ports, 15 minor ports and all three LNG terminals in India in addition to operations in Oman, Saudi Arabia, Sri Lanka, Qatar, Yemen, and Africa – an opportunity to deepen our marine services presence within India and widen our footprint across the world.

#### **Growth Direction**

There are three distinctive areas in the way we see ourselves

deepening the robustness of our business model.

**One**, we will develop the industrial hinterland across some of our ports by working closely with the State governments. This will catalyse industrial development and assure port volumes for our Company for years to come.

**Two**, we will continue to evolve from port intermediation to doorstep delivery with a larger share of a customer's logistics spending leading to annuity incomes. Our approach is not just 'If the customer grows, we grow'; our objective is to create a competitive proposition that makes our customers more competitive and grow faster, playing the role of a catalyst and beneficiary.

**Three**, we will gradually build port interests outside India; we acquired a stake in the Haifa port and are developing a terminal in Colombo Port. Driven by our risk management strategy, the investments outside India are more likely to be in operational ports and with a limited equity exposure in comparison to the overall size of our Balance Sheet. We will also work with a strong local partner with financial skin in the game.

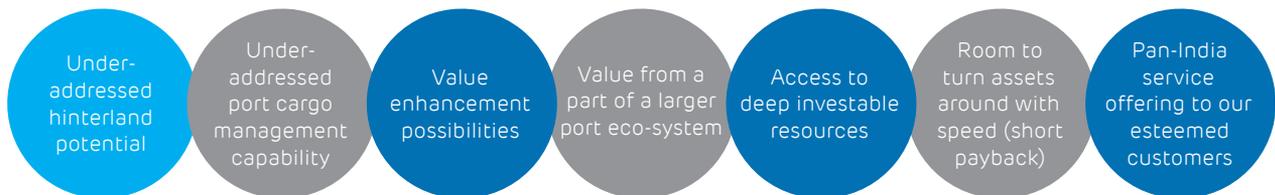
This is the blueprint by which we grow our cargo volumes from ~340 million tonnes in FY 2022-23 to 1 billion tonnes by 2030, while aiming to become the world's largest port company.

#### **Karan Adani**

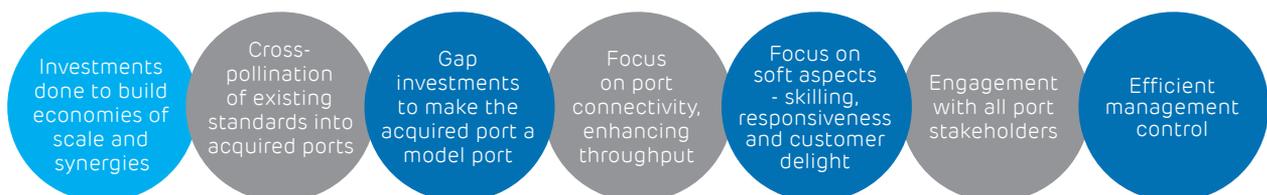
Chief Executive Officer  
& Whole-Time Director

# How we accelerated building for tomorrow through timely acquisitions and related investments

## The rationale behind **our acquisitions**



## The integration of the acquisitions **towards the Adani standard**



## Turnaround of our Krishnapatnam port

### Port growth: Cargo & financial growth

Particulars	Unit	FY 21#	FY 22	FY 23
Port cargo volumes	MMT	19.81	40.12	48.26
Revenues	₹ crore	978	2,003	2,341
EBITDA	₹ crore	691	1,395	1,582
EBITDA	in %	71%	70%	68%

# Details are from the date of acquisition and not for the full year

### Port cargo growth

In FY 2022-23, Krishnapatnam port handled 48.3 MMT cargo, a 20.3% Y-o-Y growth. In FY 2022-23, the port handled its highest bulk cargo (dry bulk + liquid) volume of 46.61 MMT.

### Capacity growth

Krishnapatnam port capacity is 75 MMT (64 MMTPA when acquired). The incremental capacity was added through the commissioning of a liquid cargo berth (6 MMTPA) and dry cargo berth mechanisation (5 MMTPA).

### Business growth

Handled sulphur, raw sugar and coastal iron ore cargo for the first time in FY 2022-23; the port handled its first edible oil rake (BTPN) in FY 2022-23. Two container services were added

### Productivity improvements

Investment helped the port achieved dry cargo berth productivity in 24 hours (2,21,809 MT on 3rd March, 2023). The port reported the highest bagging productivity in a single day (12,422 MT in 2,67,342 bags on 7th January, 2023). Dry cargo berth productivity reached 21,448 MTD from 18,121 MTD in FY 2021-22.

### Rail coefficient

In FY 2022-23, the port handled record rail volumes (20.1 MMT) against 11.3 MMT in FY 2021-22, implying 78% Y-o-Y growth.

### Sustainability

The port introduced sustainability-enhancing initiatives in FY 2022-23 (crane electrification, berth mechanisation, Moisture Management System in wagon loading silos; replaced two diesel four-wheelers with two electric four-wheelers, saving an average 2400 liters of diesel per annum and avoiding emissions equivalent to around 13.8 metric tonnes of CO<sub>2</sub> a year. More than 102,000 saplings were planted; 547,840 seedlings were propagated in the in-house nursery

### Safety

The port invested in people safety training, tools and tackle and other supporting safety-related infrastructure

### Revenue growth

Revenues increased by a healthy 17% Y-o-Y to ₹2,341 crore

### ROCE growth

ROCE for the port improved to 12% in FY 2022-23 from 9% in FY 2021-22

## Turnaround of our Gangavaram port

### Port growth: Cargo and financial growth

Particulars	Unit	FY 22	FY 23
Port cargo volumes	MMT	30.03	32.44
Revenue	₹ crore	1,206	1,529
EBITDA	₹ crore	796	1,014
EBITDA in %	in %	66%	66%

### Ports cargo growth

In FY 2022-23, the Company's Gangavaram port handled 32.44 MMT of cargo against 30.03 MMT of cargo handled in FY 2021-22.

### Capacity growth

In FY 2022-23, the Gangavaram port commissioned a container terminal in August 2022, designed to handle 6 lakh TEUs per annum, addressing customers in Andhra Pradesh, Odisha, Chhattisgarh and other neighboring States. The terminal comprises a total of 1,200 container ground slots. The total covered storage space of the port is now more than 1.3 lakh sq m.

### Commodity addition

The port commissioned container handling with dedicated infrastructure. The port handled its first coastal voyage vessel in October 2022 (transported 1.6 lakh MTs iron ore fines to Maharashtra).

At APSEZ, we built for tomorrow through a differentiated business approach

### Port efficiency growth

Achieved highest alumina bulk discharge in a day; berthed the largest displacement vessel in June 2022; enabled the mechanical handling of limestone; reported port gate efficiency improvement; increased railway mechanisation, dedicated resources and increased efficiency; reported the highest daily rakes handled; reported growth in average tonnes per day (TPD) vessels productivity.

### Sustainability initiatives

Cleaned Yarada Beach in August 2022; collected 3 tonnes of waste; completed annual beach nourishment.

### Customer-centricity

Commissioned value-added initiatives related to vehicle movements, AI-based bag counting, AI learning and customer assurance related to dispatch

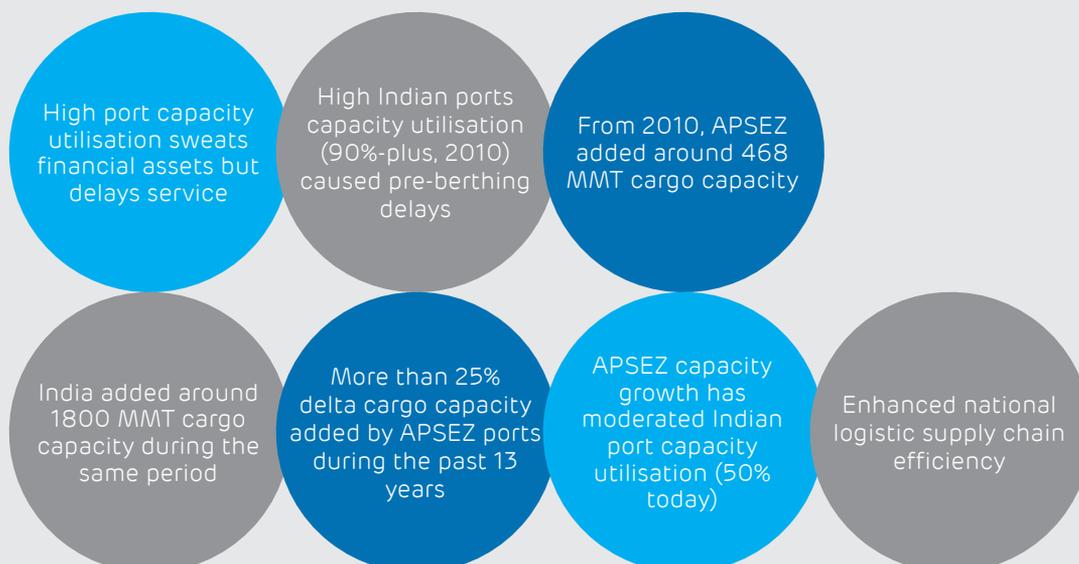
### Revenue growth

The revenues increased by a healthy 27% Y-o-Y to ₹1,529 crore.

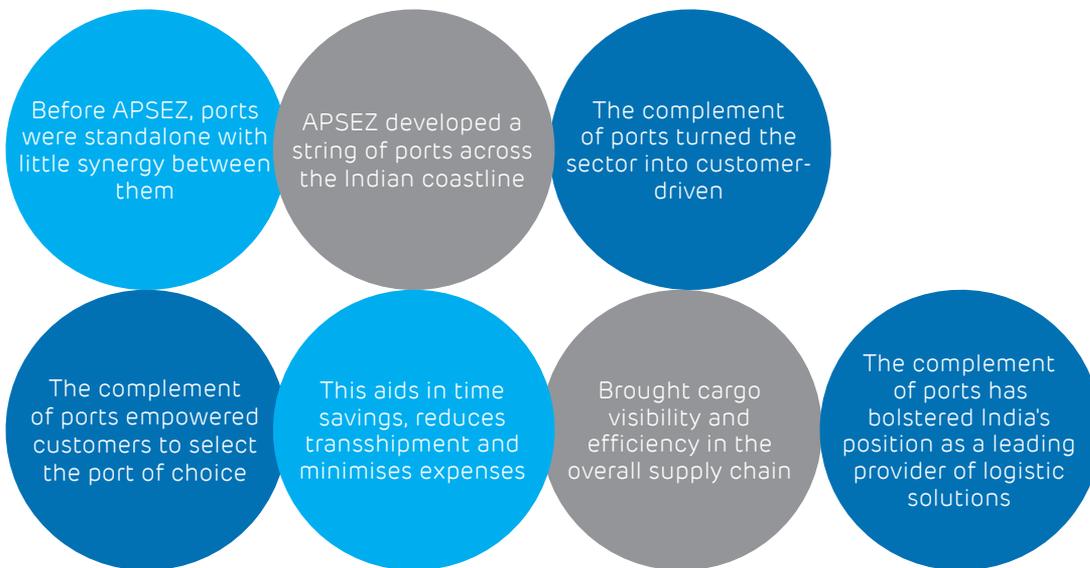
### RoCE

The RoCE for the port in FY 2022-23 stood at 11%.

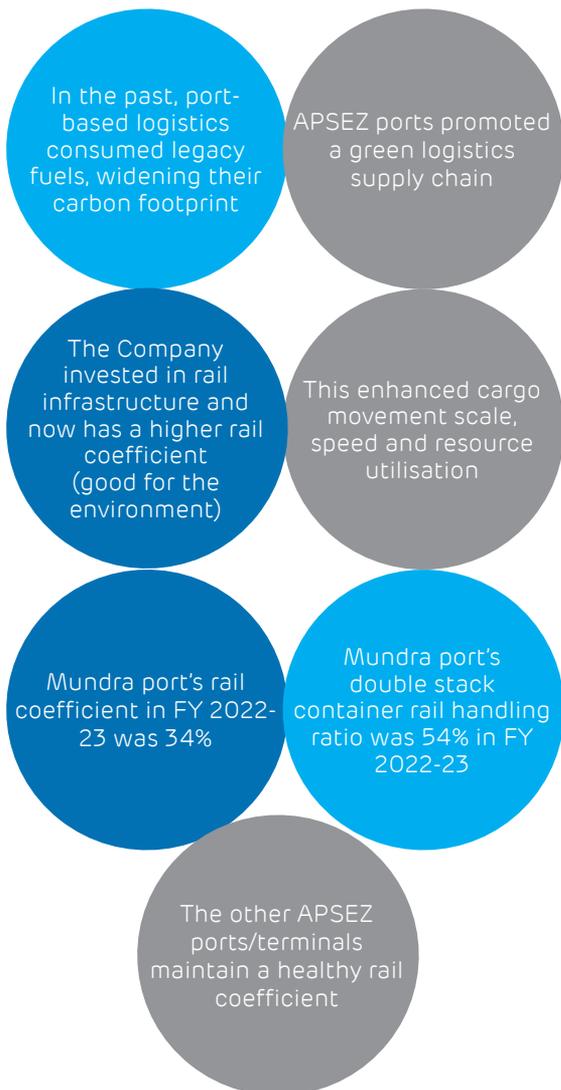
### Proactive capacity creation



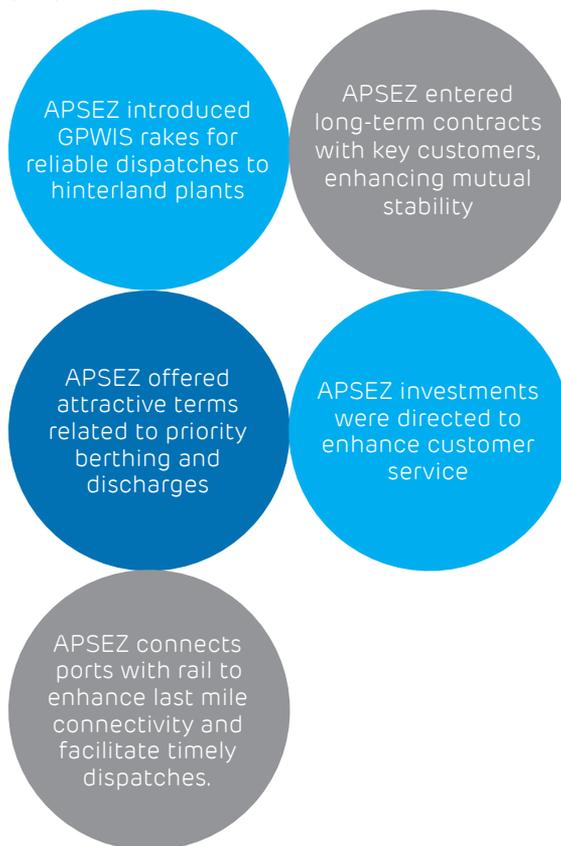
### Right assets, right location, **right time**



### Higher rail **co-efficient**

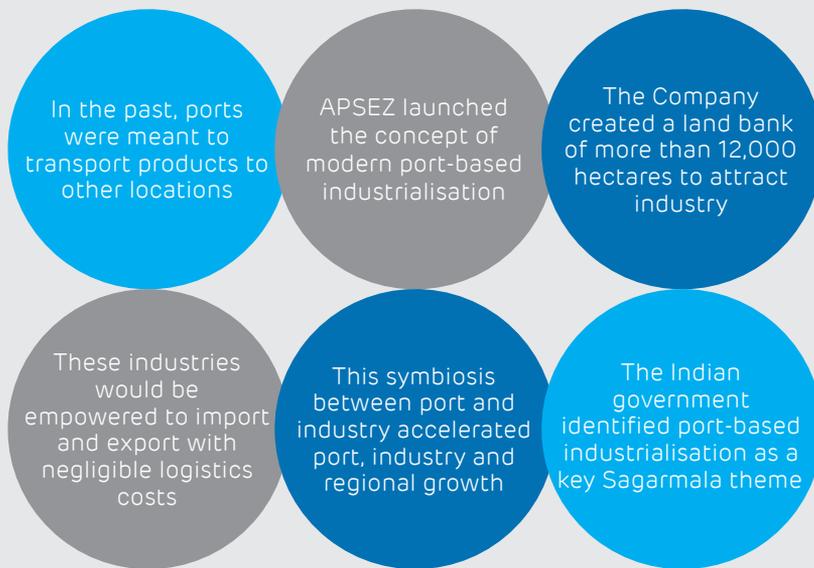


### APSEZ curated an enhanced **value proposition for customers**



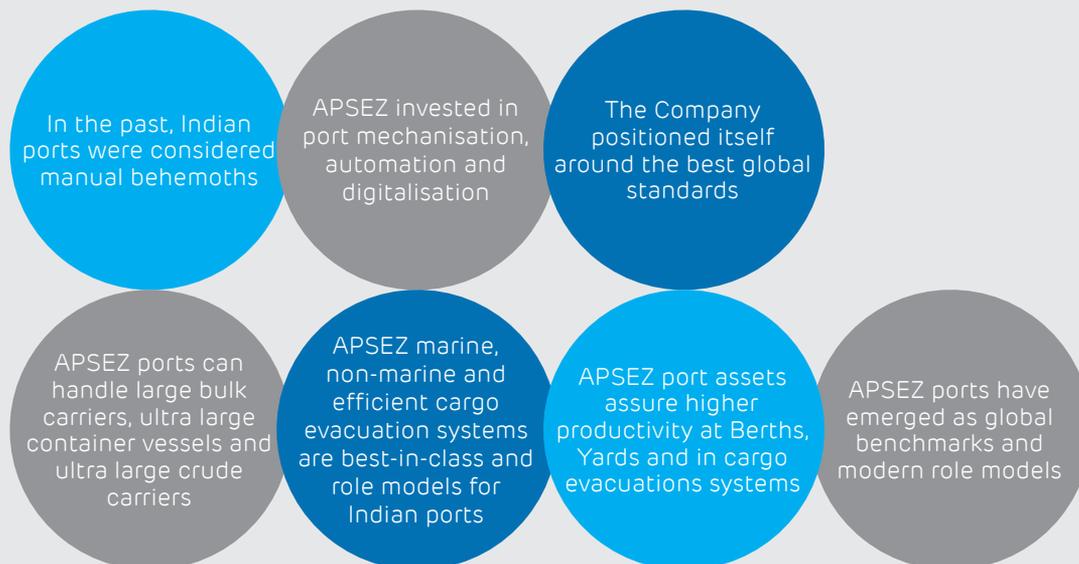
## Port-based **industrialisation**

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## Asset development **benchmark**

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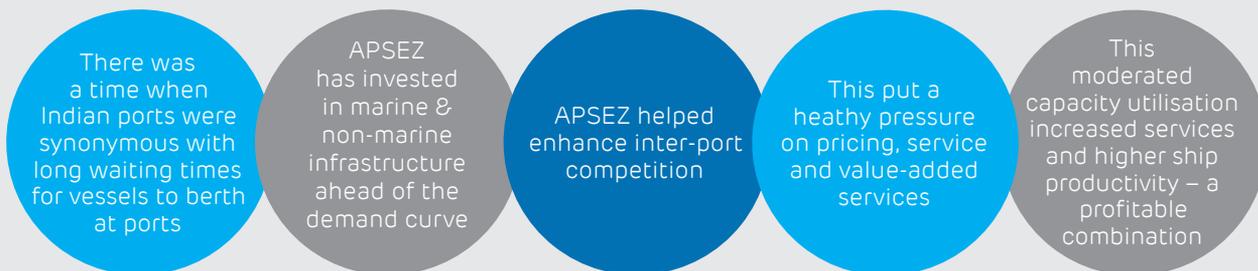


# This is how APSEZ helped transform India's port sector

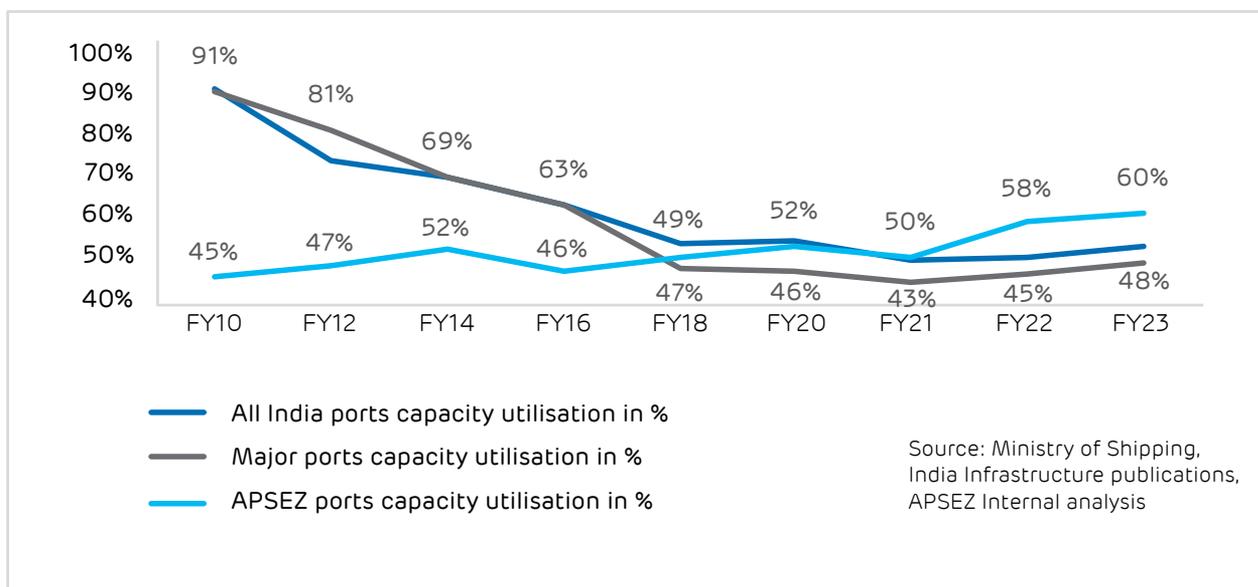
## Replaced the landlord **model**



## Moderated port capacity **utilisation**



## Ports capacity **utilisation** in %



## Brought service into **visibility**

APSEZ built port service measures into national benchmarks

It highlighted productivity measures (berth and cargo management productivity as Gross crane rate)

In FY 2022-23, APSEZ dry bulk cargo average berth productivity was 17600MT/day (16600MT/day in FY 2021-22)

Liquid cargo average productivity per berth around 7600 MT (6700 MT in FY 2021-22)

Gross Crane Rate was 27-32 GCR, higher than the other Indian container terminal average

## Large vessels handling **capabilities**

There was limited capacity across Indian ports to handle large vessels

APSEZ enhanced the capacity to handle large vessels in sea ports, providing economies of scale

Single Point Mooring facility at Mundra port are capable to handle ULCC & VLCC crude carrier vessels

4 ports out of India's 5 that can host a fully laden Cape vessel are from APSEZ (Mundra, Krishnapatnam, Gangavaram and Dhamra)

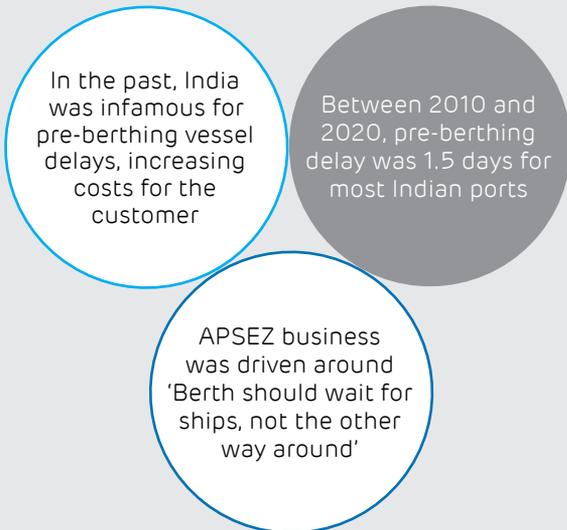
APSEZ containers STS (Ship to Shore) cranes on quay have an outreach of around 22 to 25 containers, which enables it to handle the largest container vessels

Deep draft APSEZ ports attract large vessels, reducing the cost per unit of goods transported

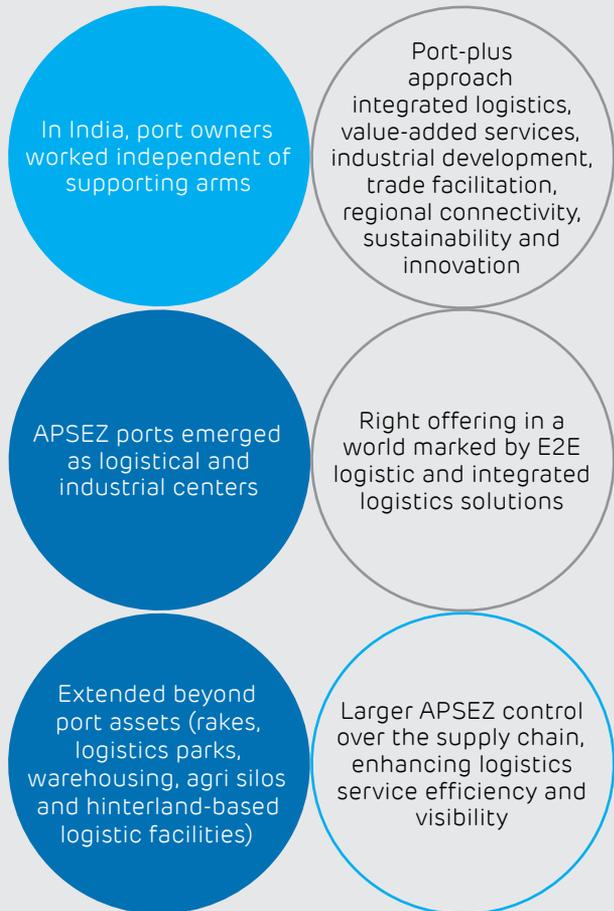
Rail connectivity and **throughput**

<p><b>In the past</b>, ports and railways network worked at an arm's length</p>	<p><b>APSEZ</b> established multi-modal connectivity</p>	<p><b>APSEZ</b> is connected to the Dedicated Freight Corridor through a feeder route</p>	<p><b>APSEZ</b> invested in double stack container handling rail facilities, at Mundra Port</p>
<p><b>This</b> will enhance economies of scale, capacity, efficiency and environment friendliness</p>	<p><b>First</b> shipment from ICD Dadri (double stack container train on the DFC route) reached Mundra Port</p>	<p><b>Mundra</b> port double stack container train ratio was a creditable 54% in FY 2022-23</p>	<p><b>Mechanised</b> Wagon Loading Silos (WLS) system at APSEZ ports enables faster cargo evacuation, taking the least time to load rakes inside the ports</p>

Average pre-berthing **delays**



Ports-plus **approach**



## Rail coefficient of **ports**

**Indian** ports suffered from low rail coefficient (implying low rail connectivity)

**APSEZ** enhanced intermodal connectivity through proactive investments

**This** was done to increase cargo handling capacity, cost-effective transportation, environment sustainability, transport options diversification and economic development

**APSEZ** rail volumes grew 22% in FY 2022-23 – from 98.6 MMT in FY 2021-22 to 120.5 MMT in FY 2022-23

**APSEZ's** overall rail coefficient improved from 35% in FY 2021-22 to 39% in FY 2022-23

## Port-based **industrialisation**

In India, port-based development happened by chance and across decades

APSEZ created a structured port-based industrial ecosystem

At Mundra, SEZ and industrial cluster covered 12,000 ha

Similar provisions have been made in Dhamra and Krishnapatnam ports

This port-based industrialisation approach is accelerating concentrated growth

In turn, this approach is feeding port volumes and industrialisation

# While building for tomorrow, APSEZ has emerged as a national ports benchmark

## First and last mile connectivity

Most Indian ports engage in cargo intermediation

APSEZ, capitalised on the railways PPP initiative permitting industries to provide last/first mile connectivity

APSEZ established a 64 km double line rail connectivity from Adipur to Mundra port and 64 km single line rail connectivity from Bhadrak to Dhamra port (being doubled)

APSEZ plans to establish rail connectivity from hinterlands to Hazira, Dighi and Kattupalli ports

This provision is expected to enhance industrialisation in the hinterland

This model has now emerged as a national benchmark

## String of assets

In the past, port owners owned one port; multiple ownership did not exist

APSEZ's 'string of ports' strategy comprises a complementary network that enhances efficiency and connectivity

APSEZ crossed 300 MMTPA cargo handling mark in just around 20 years, an incomparable benchmark

The Company's ports/terminals operate from seven (including recently acquired Karaikal Port) Indian states addressing around 90% of the country's economic hinterland

APSEZ has positioned itself as a benchmark by allowing customers to choose their preferred port for the fastest delivery

## Building future-ready capacities

APSEZ handles diverse cargo - dry bulk, break bulk, liquid bulk, containers, LNG, LPG and car/vehicles export

APSEZ has emerged with a 'can handle any cargo' reputation

APSEZ operating ports cargo handling capacity is around 558 MMT, enhancing service. Including recently acquired Karaikal port this capacity is around 580 MMT.

APSEZ ports have emerged as a benchmark for futuristic infrastructure showpieces

### Single-point customer solution

A port service was only one part of the overall logistic solution

APSEZ transformed the business model; it offered customers with a single point solution

APSEZ offered a consolidated logistics service that helped customers manage their businesses efficiently

APSEZ has graduated from a vendor to a partner, integral to the success of customers

APSEZ enjoys cargo and revenue visibility; customers feel protected with a peace of mind

This approach has emerged as an Indian benchmark for doorstep service

### Higher rail coefficient

APSEZ invested in green and multimodal transportation

APSEZ's high rail coefficient (39% in FY 2022-23) has helped generate a superior environment solution

APSEZ rail coefficient has increased from 34% in FY 2020-21 to 35% in FY 2021-22 and 39% in FY 2022-23

This approach is being seen as a national benchmark on how infrastructure companies can become more environment friendly

### Digitalised company

Until not too long ago, an Indian port was perceived to be labour-intensive

APSEZ invested in mechanisation and automation with the objective to enhance people productivity

With the onset of digitalisation, the Company introduced several digital interventions

APSEZ has become progressively paperless, 'intelligent' and on cloud

This has established the Company's respect as a national benchmark on how legacy sectors can be transformed into futuristic showcases

Developed a port community system for efficient stakeholder management

# APSEZ built a small Mundra port into India's principal ports gateway by building for tomorrow

## Overview

The maiden vessel (MT. ALPHA 2) serviced at Mundra port on 7th October, 1998 was not just an opportune moment for that location; it was to become a signal of the turnaround of India's ports sector.

Seldom has a port, built from scratch, grown as rapidly as the Mundra port; seldom has the commissioning of a port translated into as wide a regional influence; seldom has a modern port become a concentration of such a range of positive attributes; seldom has a port in this part of the world transformed into a global trading hub; seldom has a port transformed the perception of a country, sector and location.

The result is that Mundra Port is respected for its customer-centric mindset, marked by superior productivity, innovative logistics solutions, quicker vessels turnaround and faster cargo/ container evacuation.

The result is that 'Mundra' is not just a reference to a location; it has emerged as a metaphor of modern India.

## Growth journey

APSEZ has transformed Mundra Port to prominence in the Indian and global maritime trade landscape.

The APSEZ flagship port represents a natural gateway to the North and North West hinterland of India, marked by a deep draft all-weather port.

Mundra Port is home to the largest coal import terminal with a diverse capability in handling various commodities - dry bulk, liquid cargo, containers, Ro-Ro, LPG, LNG and project cargo. Mundra Port has emerged as India's largest container handling port.

The Mundra Port also comes with India's largest port-based SEZ.

## Mundra today

264

MMTPA cargo handling capacity

5

Number of container terminals

~8

million TEU container terminal capacity

>35

Number of services operating from Mundra, offering a global coverage of trade lanes

## Then

72

MMT, Mundra Port's total capacity, FY 2004-05

8.6

MMT, Mundra Port's cargo volume, FY 2004-05

## Now

264

MMT, Mundra Port's total capacity, FY 2022-23

155.4

MMT, Mundra Port's cargo volume, FY 2022-23

Mundra Port's **infrastructure**

Berths

Container terminals

Storage yards

Handling equipment

High-speed conveyor system

Mechanised bulk cargo handling system

Fertiliser Cargo Complex

Silos

Warehouses

Internal roads

Utility corridors

Mundra Port's **connectivity**

Connected to the Indian National Highway network

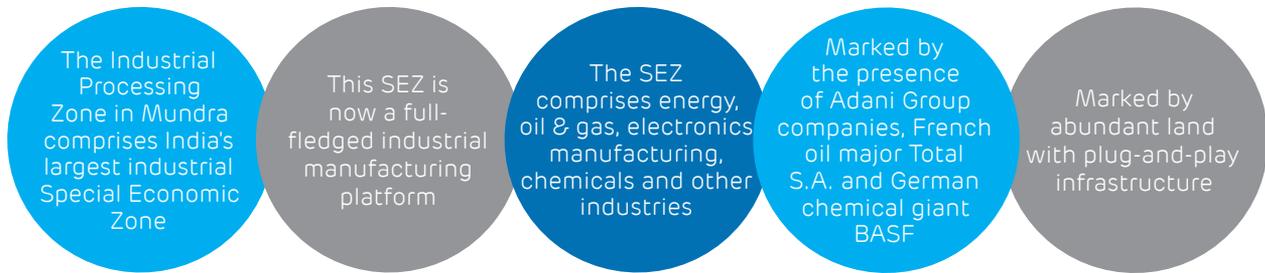
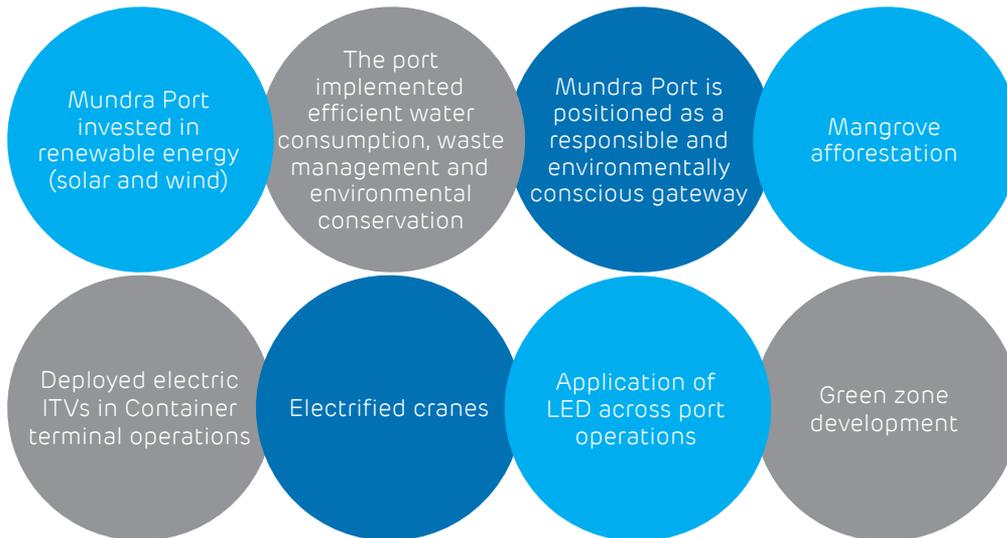
Connected through State Highway 48 (via Anjar) and State Highway 6

Natural gateway to the cargo hubs in northern and western hinterlands of India

Cross-country pipelines to the northern hinterland

Runs double-stack container trains to North India

Connected to Western Dedicated Freight Corridor (WDFC)

Mundra Port's industrialisation **eco-system**Mundra Port's **sustainability****Continuously growing volumes**

8.6

MMT of cargo handled in FY 2004-05

40.3

MMT of cargo handled in FY 2009-10

110.9

MMT of cargo handled in FY 2014-15

139.2

MMT of cargo handled in FY 2019-20

150

MMT of cargo handled in FY 2021-22

**Continuously rising rank**

13

The rank of Mundra Port by cargo volume handled in FY 2004-05

10

The rank of Mundra Port by cargo volume handled in FY 2009-10

1

The rank of Mundra Port by commercial cargo volume handled in FY 2013-14

12

%, Mundra Port's share of India's container volume, FY 2009-10

33

%, Mundra Port's share of India's container volume, FY 2022-23



**Rightly** located to serve India's western, central and landlocked northern hinterland

**Gujarat** and proximate Maharashtra account for 46% of gross exports and 66% of the total container throughput from India

**Located** has played a significant role in attracting container traffic to the port

**Services** a large part of NCR, Gujarat, Punjab, Rajasthan, Himachal Pradesh and Madhya Pradesh

**Linked** to Western Dedicated Freight Corridor and Delhi Mumbai Industrial Corridor

**Mundra Port is India's largest container handling port**

1.2

MTEUs, Mundra Port's container volumes, FY 2012-11

6.6

MTEUs, Mundra Port's container volumes, FY 2022-23

1.6

MTEUs, Mundra Port's transshipment volumes, FY 2022-23

>75

% of India's transshipment volumes handled by Mundra Port in FY 2022-23

**Big numbers**

33,500

Number of total grounds slots for container storage (including reefer container facilities)

120

Electric/Efficient RTGs

6

RMGC cranes

38

Modern QC/STS cranes

12

Total container berths

The APSEZ driver

# How we built tomorrow by banking on container cargo

**Overview**

The market for containers is increasing in a globalised economy, as more and more companies need reliable, durable and secure transportation for their products.

In the US alone, imports and exports have grown exponentially, reaching over US\$ 4 trillion in 2020.

Seaworthy containers play a crucial role in bridging the gap between these two markets, ensuring the secure and efficient transportation of goods. The demand for these containers remains robust as companies seek to effectively move their products from one location to another. While traditional shipping methods can be expensive, sea transport remains one of the most cost-effective and reliable ways to move products. Seaworthy containers make this process easier, as they are designed to be loaded onto vessels and securely

fastened to prevent damage during transit.

In addition to providing a cost-effective way to transport goods, seaworthy containers also offer a variety of benefits. They are usually insulated to protect sensitive items from extreme temperatures, can hold a wide range of products without taking up much space and sealed to enhance product integrity.

The creation of containers has a promising future. The need for reliable and durable containers will undoubtedly remain high in the foreseeable future due to the expanding global desire for better transportation options and a widening shipping industry. In the upcoming years, a modest growth in demand for seaworthy containers is projected due to technological improvements including waterproof materials and enhanced designs.

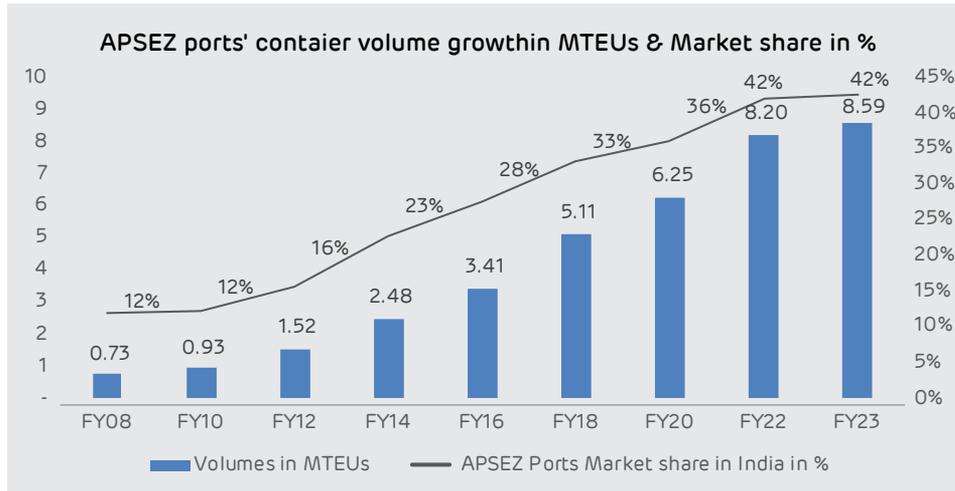
In FY 2009-10, APSEZ accounted for a nominal 12% share of India's

container cargo market share. In recent years, the Company acquired Navayuga Container Terminal at Krishnapatnam and commissioned a greenfield container terminal in Gangavaram in FY 2022-23.

APSEZ now control 42.5% of India's container market share.

What has also driven APSEZ growth has been a growing volume of transshipment container volumes. In FY 2022-23, APSEZ handled around 85% of India's total transshipment container volumes; APSEZ transshipment container volumes were around 1.9 MTEUs in FY 2022-23.

Over the course of 15 years leading up to FY 2022-23, the container volumes of APSEZ experienced a Compound Annual Growth Rate (CAGR) of 18%, surpassing the growth rate of India's cargo volumes, which stood at approximately 8% CAGR.



**Big numbers**

**8.6**  
MTEUs, total container volumes handled by APSEZ in FY 2022-23

**<1**  
MTEUs, total container volumes handled by APSEZ in FY 2009-10

### Container traffic growth at Mundra Port

The growth in container volume at Mundra Port is a testimony to APSEZ's deep engagement with shipping lines. The Company operates two independent terminals and two joint venture terminals at Mundra (with Mediterranean Shipping Company and CMA CGM). At Mundra, one independent container terminal is also operated by DPW (Mundra International Container Terminal).

The total consolidated container volumes handled by Mundra (five terminals) was 6.64 MTEUs in FY 2022-23. Since FY 2009-10, APSEZ Mundra port has witnessed around 16% CAGR growth in container volumes.

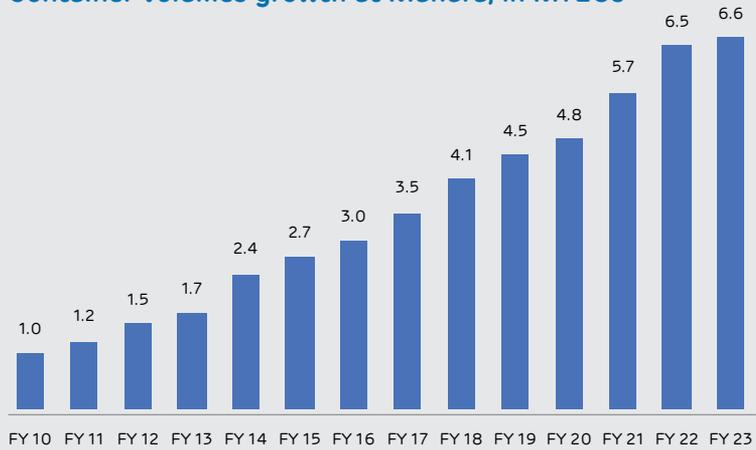
The growth in Mundra container volumes has been catalysed by a customer-centric approach - higher productivity, innovative logistics solutions, faster vessel turnaround and faster container evacuation through railway and

double stack container trains.

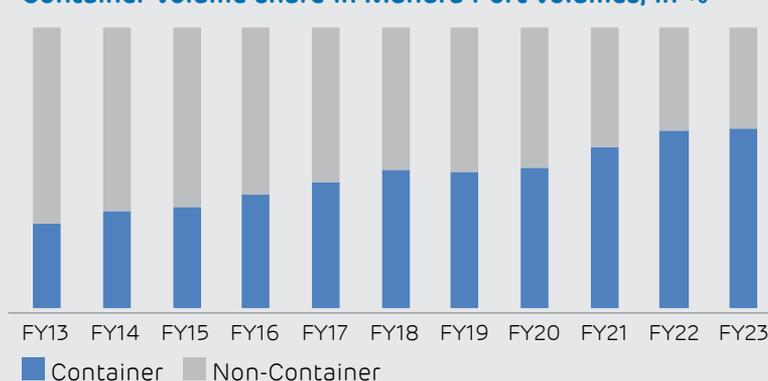
The container is one of the highest growth segments at Mundra port. In the last 10 years, Mundra container volume has witnessed 15% CAGR growth, even as total ports volume grew 7% CAGR.

In the commodity mix, container volume contribution in the total ports volume was 64% in FY 2022-23, a record since the port's inception.

Container volumes growth at Mundra, in MTEUs



Container volume share in Mundra Port volumes, in %



### BIG NUMBERS

30%

Container cargo share in Mundra ports volume, FY 2012-13

50%

Container cargo share in Mundra ports volume, FY 2017-18

64%

Container cargo share in Mundra ports volume, FY 2022-23

## Strategic direction

# How APSEZ built tomorrow by going against industry convention



### Operationally integrated

In most of the global landlord ports, terminals are operated by private players and key infrastructure and services are offered by the port authority. This generally creates an inefficient flow of information/services amongst various port stakeholders. At APSEZ ports, all these facilities/services (pilotage + stevedoring + yard management + receipt and dispatch of cargo + dredging amongst other services) are being offered by single operator i.e., APSEZ, resulting in a superior service standard, customer retention and margins.

**Result:** Operationally better control and empowered to deliver a better customer experience and margins.

### Engagement transparency

Most ports are marked by opacity leading to the prospect of hidden charges and unexpected shocks. The APSEZ management created a relationship matrix marked by transparent engagement where customers are provided a rate chart. Based on the extent of their engagement they can calculate the rates applicable to them and final cost incidence - before the engagement commences.

**Result:** Fostering repeat customer engagement, building stronger trust and implementing effective referral strategies

### Service first and last

Most port companies are recalled by their large infrastructure and equipment. APSEZ has graduated to a service-driven approach. This service is evident at the first mile and the last mile. This is delivered through a combination of port intermediation, multi-modal logistic parks, warehousing, rail network and industrial economic zones.

**Result:** Superior outcome for the customer's business leading to a peace of mind

### One-stop shop solution

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Most port customers the world over are required to negotiate different service providers for a solution. APSEZ went against convention when it offered a consolidated single-window service. This moderated transaction processing time, accelerating a cargo turnaround.

**Result: Stronger customer retention through enhanced convenience**

### Assured service turnaround tenure

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Most port companies indicate a reasonable turnaround time for berthing vessels. The APSEZ assures service quality (maximum turnaround time, productivity, handling losses and evacuation). If it does not deliver as per the assurance indicators, the Company compensates customers.

**Result: Relationship of equals where customers feel protected**

### Building for tomorrow

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Most port companies build assets behind the demand curve to protect capital efficiency. APSEZ invested ahead of the curve, attracting customers who were assured that their vessels would be turned around with speed (around the motto 'Berth should wait for the ships, not the other way around'), the superior experience attracting even more customers - a virtuous cycle.

**Result: Customer accretion; next capacity expansion; superior customer service**

### Complement of ports

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Most port companies comprise standalone ports. At APSEZ, we have created a ports 'necklace' around the Indian coastal rim. This has enhanced economics of engagement, logistical flexibility and multi-port solutions. Adani Logistics Limited (ALL) assets are complementary to APSEZ ports and together they offer complementary services to customers.

**Result: Small hinterlands have enhanced industry and customer development focus; strengthened logistical efficiencies**

### Growth-ready showpiece

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APSEZ provides manufacturing companies with a plug-and-play infrastructure at Mundra. In a world where large land parcels are scarce, this facility empowers customers to get into business with speed without land title issues. This makes it possible for the Company to focus completely on growing their business with minimal gestation.

**Result: Strong customer traction; attracting a range of industrial companies; emergence of the location as a multi-industry hub**

### ESG-driven approach

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At APSEZ, we have invested holistically in ESG. Mundra was the first Indian port to assess its carbon footprint and proposed a structured reduction plan. It was the first port company in India to commit to carbon neutrality.

**Result: Enhanced respect; corresponding credit rating**



## Technology-driven

APSEZ invested in technology as a competitiveness driver; the complement of digitalisation, analytics and automation accelerated informed decision-making, moderated costs and strengthened competitiveness. The Company implemented the world's first large scale TOS implementation managed remotely. It provides cargo visibility to customers using technology.

**Result:** Enhanced customer confidence and convenience; superior capital efficiency

## Creating an East-West coast parity

At APSEZ, we started with a western coast skew. The Company acquired ports on the east coast to develop parity. In FY 2022-23, cargo volumes on the eastern ports grew 11.6% and those on the western coast grew 5.4%; cargo ratio between west coast and east coast was 61:39.

**Result:** The Company is attractively placed to address growth on both coastal sides, strengthening a holistic India proposition

## Invested in containerisation

The Company invested proactively in containerisation through terminals and acquisitions where such facilities were available. This deepened the Company's presence in global supply chains. The container proportion of revenues increased, strengthening margins.

**Result:** Enhanced the Company's brand, revenues and margins.

## Building ports with a purpose

At APSEZ, we acquired Dighi Port to fulfil the need for a Maharashtra port (for dry and liquid cargo). We invested in Dhamra, Gangavaram and Krishnapatnam for bulk cargo handling. We invested in Vizhinjam (under progress) to focus on the transshipment cargo of India and exim volumes.

**Result:** Each of our ports will play a distinctive role, enhancing capital efficiency



## Inorganic growth

# The OSL acquisition: Catalysing APSEZ towards its 2030 vision

Strengthening the APSEZ service complement;  
enhancing margins

## Overview

At APSEZ, we have always sought to move onward and upward with the objective to enhance stakeholder value.

During the last financial year, the Company deepened this commitment through the 98.52% acquisition of Ocean Sparkle Ltd. (OSL).

The acquisition through The Adani Harbour Services Ltd (TAHSL) is synergic with the Company's operations and aligned with APSEZ's aspirations to become the world's largest port operator by 2030.

These are the realities that made the acquisition value accretive.

One, OSL enjoys an existing competitive advantage. The Company enjoys leadership in India and is the 11th largest across the world in end-to-end marine services.

Two, OSL's business provides long-term revenues and free cash visibility on the back of take-or-pay contracts with an average contract life of 7+ years with sovereign equivalent customers.

Three, OSL's services comprise towage, pilotage, and dredging, a complete solution.

Four, OSL comprised a large fleet – the captive ownership of vessels (94) and third-party owned vessels (13).

Five, its presence extends across all major Indian ports, 15 minor ports and all three Indian LNG terminals.

Six, OSL's team of 1,800 personnel across India represents a body of specialised knowledge.

Seven, OSL enjoys a significant experience in global maritime servicing through its operations in Oman, Saudi Arabia, Sri Lanka, Qatar, Yemen, and Africa.

Eight, OSL's attractive capital structure, quality operations and sustainable cash flows were validated in its attractive credit rating (AA- by ICRA).

## The transaction pricing

# 5.7x

EV/FY 2022-23  
EBITDA

## Big numbers

# 606

₹ crore, OSL revenues, FY 2021-22

# 299

₹ crore, OSL EBITDA, FY 2021-22

# 162

₹ crore, OSL PAT, FY 2021-22

# 92

% of OSL revenues derived from marine services (towage & pilotage)

# 8

% of OSL revenues derived from dredging and offshore services

# 1>

OSL's net debt-to-EBITDA ratio

### **Our management's perspective**

"Given the synergies of OSL and Adani Harbour Services, the consolidated business is likely to double in five years with improved margins, creating significant value for APSEZ's shareholders. This acquisition not only provides APSEZ a significant share of India's marine services market but also provides us a platform for building a presence in other countries, facilitating APSEZ's journey in becoming the largest port operator globally by 2030 and the largest integrated transport utility in India."

**Mr Karan Adani,**  
*CEO and Whole-time Director,  
APSEZ.*



APSEZ is building  
for tomorrow by  
investing **in global  
port assets**





## Overview

APSEZ is dedicated to contributing to the long-term development and progress of India.

However, by the virtue of an insight into the global sectorial landscape, we perceived select opportunities. These opportunities are marked by opportunities like the kind we had perceived when we had got into business with our maiden port on the western tip of India.

Some of these global port assets will become increasingly relevant in a future marked by structural trade shifts and the increased consumption coming out of those economies. Besides, we see in these locations the opportunity to become a part of a global ports necklace that extends from one part of the world to another, with India in the middle. This global investment is a part of our commitment to graduate India into a global trade hub, moving the needle of the compass towards South Asia.

Two APSEZ international port expansion opportunities have been summarised below.

### Colombo, Western Container

**Terminal:** APSEZ sealed a deal with the state-owned Sri Lanka Ports Authority (SLPA) to develop and manage the strategic Colombo Port's Western Container Terminal. Adani Ports partnered John Keells Holdings PLC and Sri Lankan Port Authority (SLPA) to develop the West Container

Terminal (WCT) of Colombo Port in Sri Lanka on a Build, Operate and Transfer basis for 35 years. Considering the container volumes growth in India, this terminal is strategic. Colombo Port is the most preferred regional hub for the transshipment of Indian subcontinent containers. This terminal will provide seamless connectivity to South Asian waters, benefiting India, Bangladesh, Sri Lanka and other South Asian countries. The quay length of 1400 meters and an alongside depth of 20 metres makes WCT an attractive transshipment destination with the capacity to handle Ultra Large Container Vessels.

**Haifa port, Israel:** This investment marked APSEZ's entry into a busy Suez Canal, helping APSEZ widen its footprint into Middle East. This development will also strengthen APSEZ's technical qualification for other global tenders; this is a key step in the Company's ambition to become the largest global port operator by 2030. The partnership with Gadot is a positive, considering that it enjoys a presence in northwest Europe (Germany, Belgium and Netherlands). The port is the largest in Israel; it handled 56% of country's cargo in 2021 (container, bulk, general, liquid and vehicles) and more than 50% of Israel container volumes. The Haifa port comprises 10 terminals and serves a vast hinterland including Haifa and Tel Aviv.

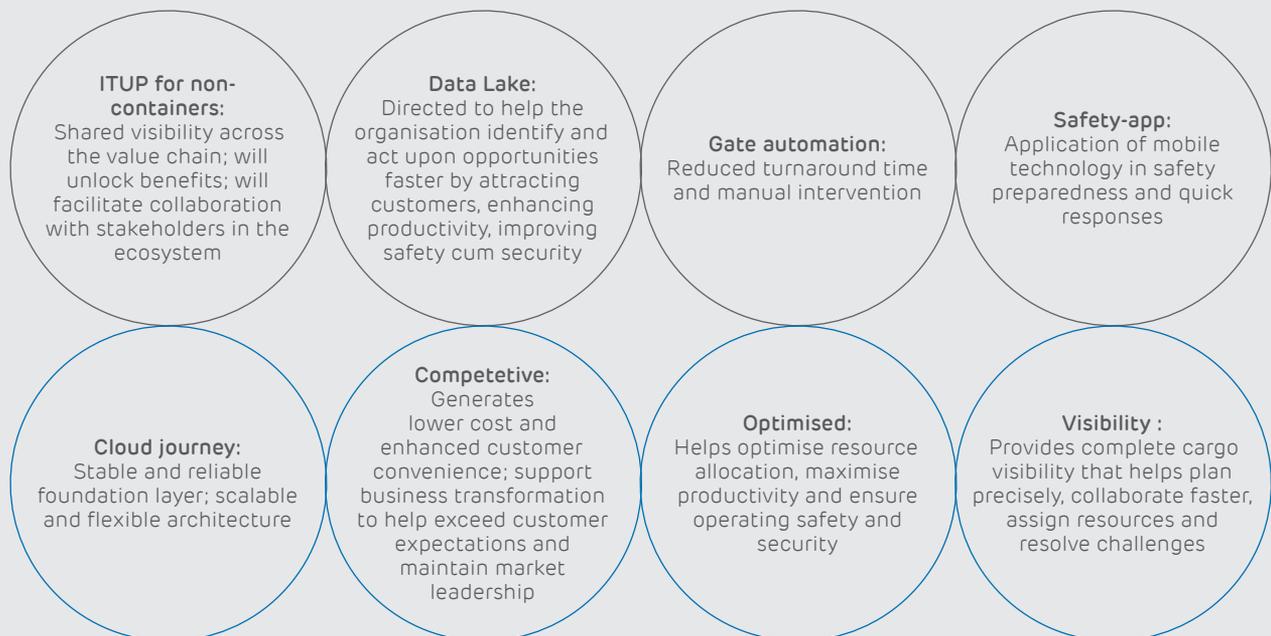
# Building for tomorrow: Our operating framework has been designed around enhanced sustainability

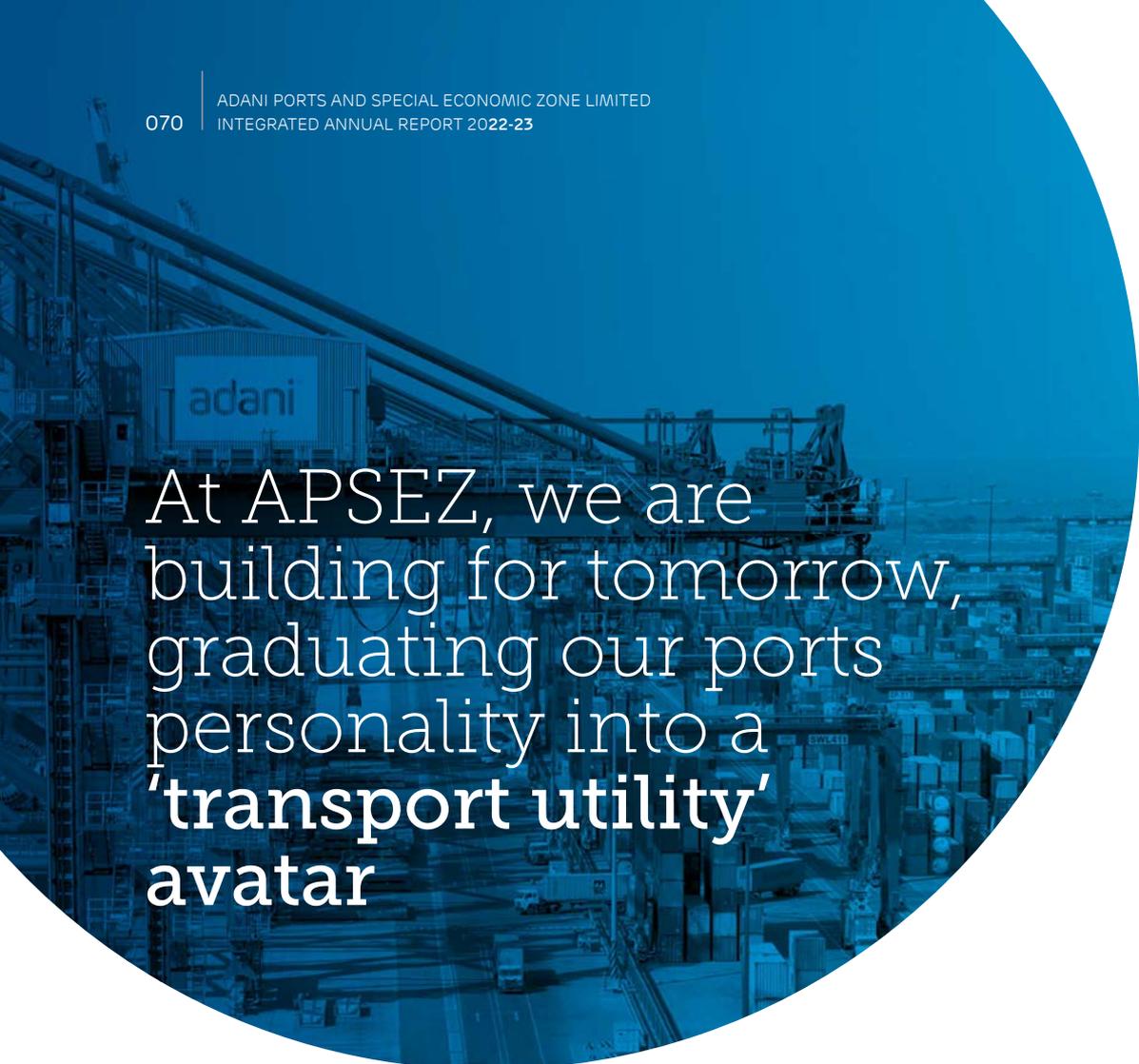


## Culture of operating discipline



## Power of digitalisation





# At APSEZ, we are building for tomorrow, graduating our ports personality into a 'transport utility' avatar

## Overview

One of the most remarkable transformations transpiring around us is when we buy a product on an e-commerce marketplace. Who has sold the product remains irrelevant; who delivers (the e-commerce marketplace in this case) becomes central to recall.

At APSEZ, we are building on this phenomenon. The Company intends to graduate from port intermediation and related delivery assurance to its next stage of evolution: from a ports company into a transport

utility that provides logistics infrastructure and services, ensuring service reliability and efficiency.

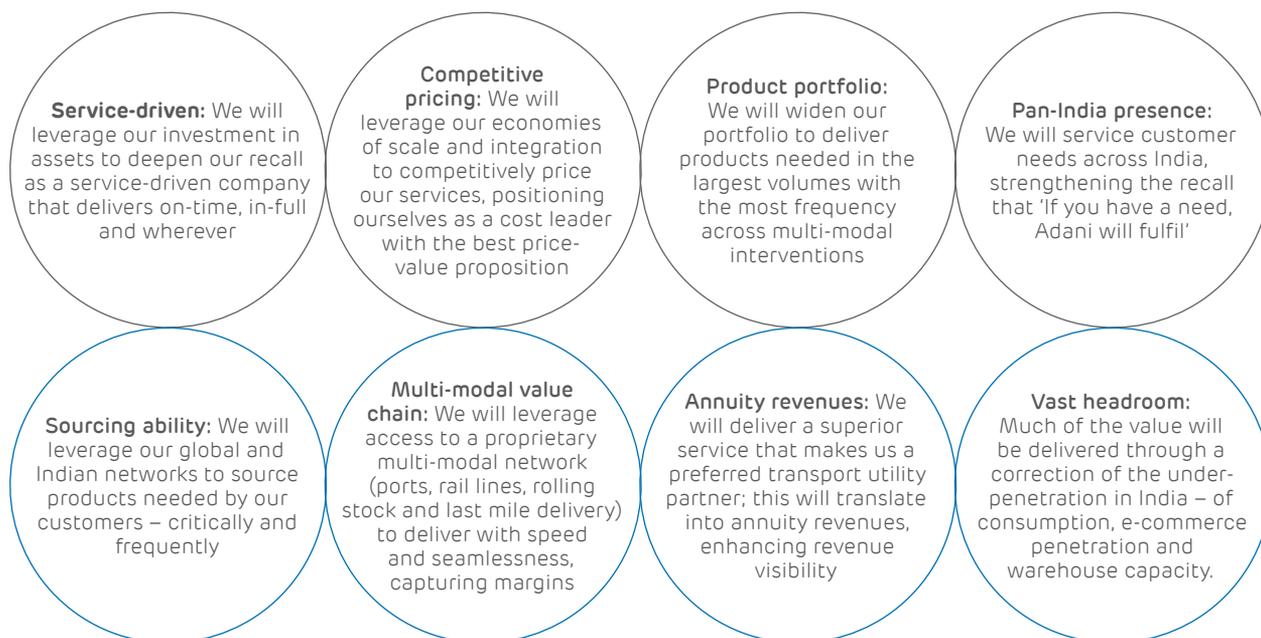
APSEZ is the best equipped to make this transition in India. The Company is the largest port operator in India with a complement of 12 multi purpose operating ports (including the recently acquired Karaikal Port). Over the years, APSEZ's subsidiary Adani Logistics has graduated to first and last mile connectivity with a fleet of owned and leased vehicles. This subsidiary has become the largest and most diversified private rail operators

in India with nine multi-modal logistics parks (MMLP) across North, West and South India. The subsidiary intends to develop six more MMLPs across India, coupled with 60 million sq ft of warehousing space by FY 2025-26.

This is what makes APSEZ unique: the Company comprises a logistics infrastructure network – fixed and mobile - to provide all logistics services in India, reinforcing its positioning as a 'transport utility'.

This will empower APSEZ to enter long-term customer relationships, enhancing the logistical efficiency of customers.

## Our 'transport utility' positioning



## Challenges

During the year under review, APSEZ transformed challenges into opportunities through strategic initiatives and approaches.

**GPWIS introduction**

An increased co-ordination with Indian Railways resulted in a continuous supply of rakes to ports for a quicker cargo evacuation to the hinterland. In view of a rake shortage, APSEZ prospected private investments permitted by Indian Railways; it introduced 17 rakes in FY 2022-23 under General Purpose Wagon Investment Scheme (GPWIS), taking the total deployment to 40 rakes. The Company is servicing Group companies and other prominent industry conglomerates.

**Enhanced APSEZ support**

In the second half of FY 2022-23, a shortage in container capacity in North-west India resulted in congestions, delays and increased costs. APSEZ provided an alternative logistics solution to shippers, which protected their business continuity.

**Enhance responsiveness**

Rising power demand at the beginning of 2022 resulted in a rise in coal demand at power plants. To address this increase, coal import increased, straining port and rail infrastructure. APSEZ rose to the occasion by evacuating coal with speed, saving India from power cuts.

**Facilitating RSR movement**

To circumvent rail infrastructure limitations, APSEZ provided RSR solutions.

**Agri exports**

A growth in agri cargo in FY 2022-23 was addressed by effective volumes management. In FY 2022-23, APSEZ handled 5.3 MMT of agro commodities against 2.7MMT in FY 2021-22, a more than 90% volume growth.

### Our logistics arms

**APSEZ:** Largest port operator in India with 12 multi-purpose operating ports/terminals (including recently acquired Karaikal Port), handling containers, dry, liquid & gas cargo across the coastline.

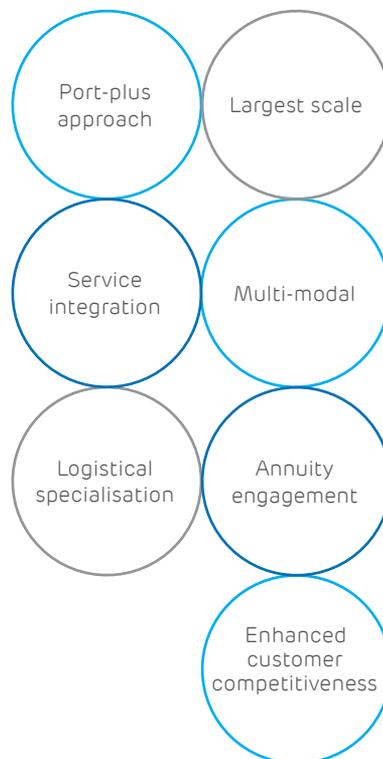
**Adani Logistics (APSEZ subsidiary):** The most diversified and largest private rail operator in India with 9 multi-modal logistics parks across North, West and South India. Engaged in developing 15+ MMLPs across India and 60 million sq ft of warehousing space by FY 2025-26. Provides first and last mile connectivity through vehicles (owned and leased).

Assets	Trains	MMLPs	Grain silos	Warehousing	Rail tracks
FY 2015-16	24 trains	4 MMLPs	--	0.4 million Sq. ft	510 Km
FY 2022-23	93 trains	9 MMLPs	1.1 MMT	1.6 million Sq. ft	620 Km
	2.2x	1.5x	2.5x	38x	3x
FY 2025-26	200+ Trains (Largest singular private players)	15 MMLPs (Covering all key markets)	2.5+ MMT (Market leader with 40% capacity)	60 million sq ft. (15% of market capacity)	2000+ Km (Largest private rail network)

### The seriousness of our intent as a transport utility is reflected in our building India's largest logistics complex in Sanand



The big picture



**All India's commercial cargo handling ports ranking (highest cargo handling ports)**

Rank of port	FY '18	FY '19	FY '20	FY '21	FY '22	FY '23
1	Mundra	Mundra	Mundra	Mundra	Mundra	Mundra
2	Kandla	Kandla	Kandla	Kandla	Kandla	Kandla
3	Paradip	Paradip	Paradip	Paradip	Paradip	Paradip
4	JNPT	JNPT	Vizag	Vizag	JNPT	JNPA
5	Vizag	Vizag	JNPT	JNPT	Vizag	Vizag
6	Mumbai	Kolkata + Haldia	Kolkata + Haldia	Kolkata + Haldia	Mumbai	Kolkata
7	Kolkata + Haldia	Mumbai	Mumbai	Mumbai	Kolkata + Haldia	Mumbai
8	Chennai	Krishnapatnam	Krishnapatnam	Chennai	Chennai	Chennai
9	Krishnapatnam	Chennai	Chennai	Krishnapatnam	Krishnapatnam	Krishnapatnam
10	New Mangalore	Ennore/ Kamarajar				

In FY 2022-23, total ports volume handled by Mundra port was 155.4 MMT, the highest volume handled by any Indian commercial or non-commercial port. In FY 2022-23, based on highest port cargo volumes, Mundra port was followed by Kandla (137.6 MMT) and Paradip (135.4 MMT). However, when appraised by the highest cargo handling ports (irrespective of captive or commercial cargo handling ports), Mundra port retained its position at the top since FY 2018-19.

**All India highest volume handling ports (Commercial & Non-commercial/captive ports)**

Rank of port	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23
1	Sikka	Mundra	Mundra	Mundra	Mundra	Mundra
2	Mundra	Sikka	Sikka	Sikka	Sikka	Kandla
3	Kandla	Kandla	Kandla	Kandla	Kandla	Paradip
4	Paradip	Paradip	Paradip	Paradip	Paradip	Sikka
5	JNPA	JNPA	Vizag	Vizag	JNPA	JNPA
6	Vizag	Vizag	JNPA	JNPA	Vizag	Vizag
7	Mumbai	Kolkata	Kolkata	Kolkata	Mumbai	Kolkata
8	Kolkata	Mumbai	Mumbai	Mumbai	Kolkata	Mumbai
9	Chennai	Krishnapatnam	Krishnapatnam	Chennai	Chennai	Chennai
10	Krishnapatnam	Chennai	Chennai	Krishnapatnam	Krishnapatnam	Krishnapatnam



# We retained our position as India's largest ports company

## Performance overview

During the year under review, the APSEZ performance was promising, its ports reporting around 9% YoY volume growth. The Company dominated on all fronts: Mundra port retained its top position as the largest port in India, handling 155.4 MMT of cargo in FY 2022-23.

The total cargo handled across all Adani ports/terminals was 339.2 MMT, including 2.61 MMT cargo handled at Haifa port. In India, APSEZ ports/terminals handled 336.6 MMT cargo, through 11 operating ports/terminals. APSEZ India ports/terminals portfolio witnessed around 8% YoY volumes growth. Dry cargo volume crossed 173 MMT mark, registering a 11% YoY growth.

Key growth commodities in dry cargo were Coal, Fertilisers, Iron ore, other certain minerals and agri commodities. Coastal coal witnessed a massive 110% YoY growth (19.1 MMT in FY 2022-23 against 9.11 MMT in FY

2021-22). In India, APSEZ ports container volume reached 8.6 MTEUs volume against a 8.2 MTEUs in FY 2021-22, registering a 5% YoY growth. APSEZ Mundra port maintained its top position in container volume handling, Mundra handled 6.64 MTEUs in FY 2022-23 against 6.51 MTEUs in FY 2021-22, registering 2% YoY volume growth. In FY 2022-23, Mundra port witnessed 11.5% YoY growth in car export volumes. The port exported 2,08,516 cars against 1,87,090 cars exported in FY 2021-22.

Out of APSEZ's 11 operating ports, 10 ports witnessed YoY volume growth. Mundra port registered a steady year-on-year volume growth of over 3%, effectively managing a cargo volume of 155.4 million metric tonnes (MMT); with 17.1% YoY growth; Dahej port handled 11.4 MMT cargo, registering 41% YoY growth, Hazira port handled 25.3 MMT cargo, with 1.6% YoY growth; Dighi handled 0.24 MMT cargo; Goa terminal handled

4.44 MMT cargo registering 10% YoY growth; Ennore container terminal handled 8.23 MMT cargo, with 17.4% YoY volume growth; Kattupalli port experienced a remarkable year-on-year growth of 55%, effectively managing a cargo volume of 11.5 million metric tonnes, Krishnapatnam port handled 48.3 MMT cargo, with 20.3% YoY growth, Gangavaram port handled 32.44 MMT cargo, registering 8% YoY growth; however, Dhamra port handled 31.3 MMT cargo volumes, with a degrowth of 6.5% YoY. Progressively, the non-Mundra ports volume share in APSEZ ports portfolio is growing. In FY 2022-23, Mundra port market share in APSEZ total ports portfolio (excluding Haifa) was 46%, which was 48% in FY 2021-22. Similar trends were also witnessed in APSEZ ports container volumes. Mundra share in APSEZ total container volumes came down to 77.3%, from 79.4% in FY 2021-22. APSEZ continuously focused on volume diversification and reduced concentration risk.

## Operational highlights of APSEZ, FY 2022-23

- Handled 339.2 MMT of cargo against 312 MMT cargo volumes in FY 2021-22, registering around 9% YoY volume growth.
- India volumes: Handled 336.6 MMT of ports against 312.4 MMT volumes, witnessing 8% YoY growth
- APSEZ following ports/terminals handled an all-time highest cargo: Mundra Port, Tuna Terminal, Hazira Port, Mormugao Terminal, Kattupalli Port & Ennore Container Terminal.
- Recently-acquired Haifa ports in Israel, handled 2.16 MMT cargo (from date of acquisition).
- Growth in ports cargo volume was led by dry cargo (11% increase), followed by containers (+5%).
- In dry cargo, coastal coal volume witnessed around 110% YoY growth: APSEZ handled 19.1 MMT of coastal coal volumes against 9.1 MMT in FY 2021-22. Overall coal volumes (EXIM + coastal) witnessed around 19% YoY growth. APSEZ ports handled around 123 MMT coal cargo. APSEZ ports handled 5.3 MMT Agri-commodities against 2.7 MMT in FY 2021-22, registering a 96% YoY volume growth.
- In liquid cargo handling in operating year (FY 2022-23), APSEZ ports witnessed 5% YoY growth in vegetable oil and 15% growth in chemicals. Similarly, LPG volumes witnessed more than 50% YoY growth.
- Containers volumes witnessed 5% YoY growth. APSEZ ports handled 8.6 MTEUs container volumes against 8.2 MTEUs in FY 2021-22. APSEZ ports exported 208,516 cars against 187,090 in FY 2021-22, registering 11.5% YoY volume growth.
- Added 21 new container services at APSEZ ports/terminals, which resulted in the addition of 0.3 MTEUs volumes. Mundra added total 12 new container services followed by 4 new services at Hazira port, 2 at Kattupalli, 2 at Krishnapatnam and 1 at Gangavaram.
- APSEZ continued to focus on achieving east coast versus west coast parity. Cargo volumes on the eastern ports grew by 11.6% and those on the west grew by 5.4%, improving the cargo handling ratio (%) between the west coast and east coast to 61:39 (from 62:38 in FY 2021-22).
- Ports witnessed higher rail dispatch/receipt volumes. Total rail-based volumes at APSEZ ports were 121 MMT against 99 MMT in FY 2021-22. Rail volumes witnessed 22% growth. Rail share in FY 2022-23 grew to 39% from 35% in FY 2021-22.
- Rail volumes YoY growth (receipt/dispatch) at APSEZ ports/terminals comprised : Mundra (10%), Tuna (53%), Dahej (210%), Mormugao Terminal (10%), Ennore Container Terminal (22%), Krishnapatnam (78%), Gangavaram (32%). Dhamra witnessed 2% YoY degrowth in rail volumes.
- Ports capacity utilisation crossed 60% compared to 58% in FY 2021-22. Total operating port capacity of APSEZ Indian portfolio in March 2023 was close to 558 MMTPA, excluding the recently acquired Karaikal Port.
- Mundra continued to be the largest container handling port in India: Mundra handled 6.64 million TEUs, which was 0.6 million TEUs higher than JNPT.
- APSEZ Mundra Port and Ennore container terminal handled all-time highest container volumes
- Inaugurated a new container terminal at Gangavaram port with a capacity of 0.6 MTEUs/ annum. The container berth has a permissible draft of 15.5 m. and can handle up to 80000 DWT vessel. The terminal is operating with three STS cranes and eight RTGs.
- 6 MMTPA liquid cargo capacity was added at Krishnapatnam port. Mechanisation of Berth No. 6 at the Krishnapatnam port added 5 MMTPA dry bulk cargo capacity
- Created additional 2 MMTPA cargo handling capacity at the Dahej port through process improvements
- Added around 6 MMTPA capacity through non-marine infrastructure addition at the Kattupalli port. This includes the addition of liquid tanks, expansion of the container the terminal yard, paved yard, equipment and STS crane.
- Rail volumes registered a 24% Y-o-Y growth to 500,446 TEUs
- GPWIS cargo volumes grew by 63% Y-o-Y to 14.35 MMT
- Terminal volumes of 358,863 TEUs registered a 19% Y-o-Y growth.

# Key highlights of our ports



## MUNDRA PORT

### Operating highlights, FY 2022-23

- Achieved the highest yearly volume of 155.4 MMT compared to the previous high of 150.2 MMT in FY 2021-22
- Achieved the highest yearly container volume of 6.64 MTEUs compared to the previous high of 6.52 MTEUs in FY 2021-22
- Remained the largest container handling port in India, with 6.64 million TEUs container volume, which was 0.6 million TEUs higher than JNPT (6.05 MTEUs)
- Achieved the highest ever yearly EXIM yard volume of 1,46,294 TEUs compared to the previous high of 94,070 TEUs in FY 2021-22
- Added twelve new container services at Mundra, which resulted in the addition of 0.2 MTEUs.
- Handled the highest cargo through rail at 36.92 MMT (18591

rakes) (9.5% y-o-y growth)

- Handled the highest fertiliser volume by rakes at 5.05 MMT volumes (1554 rakes) compared to the previous high of 4.52 MMT in FY 2020-21 (1405 rakes).
- Dispatched 5.5 MMT of coal through 1363 rakes – second highest volume of coal handled through rail at West Basin.

### Other highlights

- Completed surveillance/audit renewal for Integrated Management System (ISO 9001, ISO 14001 & ISO 45001), Energy Management System (ISO 50001) and Supply Chain Security Management System (ISO 28000).
- Participated in the Regional Level Oil Spill Exercise conducted by Coast Guard
- Received NABL (National Accreditation Board for Testing and Calibration Laboratories) accreditation for chemical testing (LPG) for MLTPL Laboratory
- Developed fall-back arrestor system for BTPN wagon unloading at the rail siding in the port to avoid the fall from height
- Achieved the implementation of Information Security Management System Certificate - Standard ISO/IEC 27001:2013.
- Upgraded the KARTOS application used for RORO operations to help business users' seamless application experience with enhanced features.

- Strengthened remote rubber tyred gantry crane (RTG) network using the new-gen SMGX technology for seamless connectivity for remote operation
- Improved in RTG operations

### Awards and accolades: Key awards

- Received Safety & Excellence Award, Environment Management in the second OSH India Awards 2022
- Won Gold Award in Environment Improvement, organised by the Sustainable Development Foundation, which is a unit of Ek Kaam Desh Ke Naam
- Awarded Non-Major Port of the Year, organised by EXIM, a leading publication in the maritime industry
- Mundra Port has been awarded as a Port of the Year - Containerised Cargo Award, at the EXIM Star Awards
- Awarded Best Port of the Year – Containerised at the Gujarat Star Awards
- Received the Sea Port of the Year (for Northern India) Award at the Northern India Multimodal Logistics Awards
- Awarded Best Port of the Year (Containerised & Non-Containerised in Private Sector) at India Maritime Awards

## 155.4 MMT

Achieved the highest yearly volume of 155.4 MMT compared to the previous high of 150.2 MMT in FY 2021-22



## TUNA TERMINAL

### Operational highlights, FY 2022-23

- Handled the highest ever volumes, since the inception of the terminal, at 8.16 MMT (17% YoY volume growth)

- Handled the highest number of vessels at 141 surpassing the previous best of 93 in FY 2020-21
- Evacuated the highest ever dispatch 1.86 MMT cargo through rakes, compared to the previous high of 1.23 MMT in FY 2021-22
- Handled highest number of rakes at 523, compared to the previous high of 355 in FY 2021-22

### Other highlights

- Onboarded a new client, in Welspun Metallics, who introduced a new commodity (iron ore fines and iron ore pellets) with a parcel size of 35,779 MT through coastal movement
- Installed a permanent life-line system (vertical and horizontal) for safety
- Improved safety by launching a buddy system for new employees with identification through color-

coded PPEs and assistance by old employee

- Completed 5S Surveillance audit by National Productivity Council
- Terminal certified under Uttam category while port was awarded the Prayatnasheel category
- Integrated IPOS with SAP to generate automatic challan for customers.
- Visited by Australian Trade and Investment Commission delegates terminal to study and evaluate feasibility of barley imports from Tuna Terminal

# 8.16 MMT

Handled highest ever volumes, since inception of the terminal, at 8.16 MMT (17% YoY volume growth)



## DAHEJ PORT

### Operational highlights, FY 2022-23

- Handled 11.4 MMT of cargo (41% YoY growth), the second highest ever volume handled at the port since inception

- Handled the first gypsum vessel MV Kyla Fortune discharge under mechanised mode at North Berth
- Improved the turnaround time of gypsum rake handling after silo-2 modification work
- Achieved the fastest turnaround time of one-and-a-half hours

### Other highlights

- Developed Safety OHS Excellence Center for increasing safety awareness at the port using different modules for different activities
- Received 5S certification by Nation Productivity Council
- Won three Gold Awards and two Silver Awards at QCFI: At Vadodara Chapter, 2022 and one Gold Award at Surat Chapter, 2022
- Paved of rail siding for mineral and fertiliser cargo handling

# 11.4 MMT

Recorded volumes growth of 41% YoY to 11.4 MMT



## HAZIRA PORT

### Operational highlights, FY 2022-23

- Handled highest cargo volume of 25.3 MMT, compared to the previous high of 24.87 MMT in

FY 2021-22 (2% Y-o-Y volume growth)

- Handled the highest volume of cargo vessels at 1326 in FY 2022-23, compared to the previous high of 1218 vessels in FY 2021-22
- Handled the highest ever sugar cargo volume of 1.15 MMT compared to the previous high of 0.95 MMT in FY 2021-22
- Handled the highest cargo volume of liquid facilities at 4.97 MMT, compared to the previous high of 4.2 MMT in FY 2021-22 (18% YoY growth)
- Added four new container services

### Other highlights

- Successfully renewed all four ISO certificates - 50001:2018, 45001:2018, 14001:2015 and 9001:2015 - without any non-compliances

# 4.97 MMT

Handled the highest cargo volume of liquid facilities at 4.97 MMT, compared to the previous high of 4.2 MMT in FY 2021-22 (18% YoY growth)



## DIGHI PORT LIMITED

### Operational highlights, FY 2022-23

- Handled 0.24 MMT cargo volume (5% y-o-y growth)
- Added steel coils and sugar in the port commodity basket

# 0.24 MMT

Handled 0.24 MMT cargo volume (5% y-o-y growth)



**MORMUGAO  
 TERMINAL**

**Operational highlights,  
 FY 2022-23**

- Handled 4.45 MMT of cargo, which was highest volume handled by the terminal since inception
- Handled the highest parcel size Cape vessel called MV George Island at 1,27,500 MT
- Handled the highest rakes at 1038 as against the previous high of 965 in FY 2019-20

**Other highlights**

- Won Uttam Award, which was organised by National Productivity Council, for 5S implementation at workplace
- Implemented energy savings initiatives like LED conversion, MHS Idle running alert system, cranes single aggregate operations etc., which

resulted in a drastic reduction of power consumptions and cost saving

- Won Gold Award, by Apex India Foundation, for Energy efficiency in Services Sector
- Won Gold Award, by EKDKN Foundation, for Environment Preservation in Services Sector
- Won Uttam Award by National Productivity Council for 5S implementation at workplace
- Won the Platinum Award for Environment Excellence in Services Sector by Apex India Foundation

**4.45 MMT**

Handled highest ever cargo volumes of 4.45 MMT in FY 2022-23



**KATTUPALLI PORT AND  
 ENNORE CONTAINER  
 TERMINAL**

**Operational highlights,  
 FY 2022-23**

- Handled the highest ever cargo volumes of 11.52 MMT (55% volume growth y-o-y) at Kattupalli Port and 8.23 MMT at Ennore Terminal (17% volume growth y-o-y)
- Handled the highest dry bulk and liquid bulk volumes at Kattupalli Port
- Added two new container services at the Kattupalli Port
- Handled the highest parcel size at 6,247 TEU in AECTPL-Maersk Senang (35.88 GCR/118 BMPH)

**Other highlights**

- Kattupalli Port was awarded

its first ever Sustainability Award Platinum by APEX India Green Leaf

- Signed Philips Carbon for ten years, as a new customer for the liquid terminal
- Secured the amended Environmental Clearance from the Ministry of Environment, Forest and Climate Change
- Handled higher liquid and dry cargo within overall approval

**20 MMT**

Handled highest ever cargo volumes of 11.52 MMT (55% volume growth y-o-y) at Kattupalli Port and 8.23 MMT at Ennore Terminal (17% volume growth y-o-y)



75  
MMT,  
Installed  
Capacity

## KRISHNAPATNAM PORT

### Operational highlights, FY 2022-23

- Handled 48.26 MMT volume of cargo (20% YoY volume growth)
- Handled the highest ever bulk cargo (dry bulk and liquid) volume of 46.61 MMT
- Achieved the highest single-day productivity at 2,21,809 MT
- Added two new container services
- Highest cargo handled through

- mechanised berths N-7 and N-8
- Handled sulphur, raw sugar and coastal iron ore (JSW) cargo for the first time
- Berthed first vessel MT Sanmar Sonnet at the liquid jetty
- Loaded the deepest draft Cape size vessel and safely departed it from the port – a first in the Indian maritime history
- Berthed MV. NS Hairun at N5, after loading 1,68,100 MT of iron ore (departure draft: F – 17.70 m, M 17.85 M, A – 17.70 m)
- Handled the first edible oil rake (BTPN)
- Achieved the highest bagging productivity in a single day with 2,67,342 bags of 12,422 MT volume
- Electrified nine Liebherr cranes under the fuel shift mechanism drive
- Handled the highest rail volumes at 20.46 MT
- Highest mechanised handling of 1718 wagon-loading silo rakes of 6.79 MT

### Other highlights

- Installed moisture management system

- Erected fire hydrant system in wagon-loading silo
- Received Greentech International EHS Best Practices Award 2023 by Greentech Foundation, New Delhi
- Received energy management system (EnMS) certificate from the Indian Register Quality system
- Renewed consent for operations, with an extra 10 MMT handling margin, for liquid jetty from Andhra Pradesh Pollution Control Board
- Zero diesel consumption in pigging operations for liquid operations.
- Electrified diesel compressor, through the fuel shift drive, to save carbon emissions
- Reduced carbon emission by 33% with e-drive operation cranes (after electrification)

# 48.26 MMT

Handled 48.26 MMT of cargo volumes in FY 2022-23, resulting in a 20% YoY volume growth



64  
MMT,  
Installed  
Capacity

## GANGAVARAM PORT

### Operational highlights, FY 2022-23

- Berthed MV Maran Fidelity with displacement of 2,21,083 MT and cargo parcel of 1,85,000 MT – the largest displacement vessel till date
- Received the first rake for TANGEDCO coastal movement
- Handled the first ever coastal voyage Cape vessel called MV Lila Nantong
- Received Maersk Line's maiden vessel called MV Artotina at the container terminal
- Handled 1,243 trucks in a day with cumulative receipts and dispatches of 42,304 MTs of cargo (highest single-day volumes)
- Handled the highest number of

rakes at 6,238 against the previous high of 5,475 in FY 2019-20

### Other highlights

- Winner of EHS Best Practices Category for Greentech International EHS Award 2023
- Awarded Non-Major Port of the Year for excellence in cargo and logistics sectors by Eastern Star Awards organised by Shipping Times
- Inaugurated a new warehouse of 11,000 sq. m. with a storage capacity of 50,000 MTs

# 32.44 MMT

Handled 32.44 MMT of cargo volumes in FY 2022-23, resulting in 8% YoY volume growth



## DHAMRA PORT

### Operational highlights, FY 2022-23

- Handled 31.28 MMT of cargo volumes against 33.44 MMT of cargo volumes in FY 2021-22 (6% y-o-y degrowth).
- Handled highest export slag volume of 1.00 MMT
- Handled highest import coal volumes at 19.4 MMT against 17.5 MMT in FY 2021-22
- Handled highest dry cargo at 29.85 MMT
- Handled highest outward rake at 5725 (~15.68 rakes/day) compared to the previous high of 5552 rakes (~15.68 rakes/day) in FY 2021-22 (3% y-o-y growth)
- Handled agri-cargo (wheat and rice) for the first time
- Deployed GPWIS rakes for SAIL

- Initiated and implemented road movement for the dispatch of import coal and the export of iron ore fines

### Other highlights

- Completed training of port pilots for FMBS Simulation to handle LNG vessel
- Updated Port Facility Security Plan (PFSP) from DG Shipping with the inclusion of Dhamra LNG Terminal
- Switched from Smart Epic application to a newly Integrated Transport Utility Platform (ITUP) system
- Won Gold Award in CCQC 2022 and Par Excellence trophy for NCQC 2022
- Installed 621 KwP rooftop solar power at the township and inside the port
- Installed rainwater harvesting system near WTP (water treatment plant) with 243 million litres of rainwater harvested
- Certified as Zero Waste to Landfill by Confederation of Indian Industry (CII)
- Won 12th Exceed Environment Preservation Award 2022
- Won 22nd Annual Greentech Environment Award 2022
- Received Kalinga Safety Award in Platinum Category
- Added one more ambulance, with a total ambulance available on site being two advanced life support (ALS) and one basic life support (BLS)

## Highlights of digital initiatives, FY 2022-23

Key digital initiatives started at APSEZ and its impact over businesses are enumerated below:

- Enabled Integrated Transport Utility Platform (ITUP) system, which will enhance visibility by non-containers across the value chain, enable stakeholder collaboration in the ecosystem, bring evolution from entity-centric optimisation, unlocking benefits for every player
- Implemented Data Lake to help the organisation identify and act upon the opportunities for faster business growth by attracting and retaining customers, boosting productivity, enhancing efficiency, improving safety and security. This has optimised resource utilisation and empowered decision making
- Enforced Gate Automation to reduce turnaround time and manual intervention to become future ready.
- Developed mobile application SafetyApp to enhance safety preparation and develop a quick response mechanism. This was started at Mundra and shall be rolled out to other APSEZ sites.
- Moved to Cloud Journey, which will act as a stable and reliable foundation layer for scalable and flexible architecture

# 243 million

Installed rainwater harvesting system near the water treatment plant with 243 million litres of rainwater harvested

# Building for tomorrow through **business- strengthening initiatives**

## APSEZ COO Forum

COO's Forum is a platform for collaboration across APSEZ ports

Comprises COOs of all APSEZ ports

Meetings conducted monthly

Virtual forum discusses, brainstorms and collaborates

Focus of discussions on innovations, safety, kaizen, productivity and efficiency

Active cross-pollination of initiatives across ports/terminals /locations

In FY 2022-23, 400-plus ideas were discussed; more than 30 high impact ideas were selected for cross-pollination

## Development OHS (Occupational, Health, Safety) Excellence Center

At APSEZ, we prioritise the safety of employees, port workers, contractual labourers and stakeholders

Continuously improving safety through innovative and an overarching safety culture

Invested in port safety through rigorous training, safety equipment, tools and resilient safety infrastructure

Developed and developing (under construction at some sites) OHS Excellence Center at each port/terminal to deepen safety training across stakeholders

OHS center covers Safety Learning Modules, Experimental Learning Activities, Workshop Activities, Traffic Safety (Road and Rail) and outdoor learning models

## Provision of Advanced Life Support (ALS) Ambulance

APSEZ commitment to extend beyond the curve in providing health care facilities to employees/port workers/labourers

Proposed decision to deploy ALS ambulances at each operating port/terminal sites

Evaluating the replacement of all BLS ambulances with ALS ambulances

## Promoting 'Growth with Goodness' across the social media

APSEZ leverages social media platforms to share compelling stories about operations achievements, CSR, social commitments, environment initiatives, people and the port sector

Four themes followed comprise trade enabler, anchoring achievements, acting sustainably as well as awards & accolades

APSEZ is present on three social media platforms (Facebook, Twitter and LinkedIn)

## Case studies

# How we are building for tomorrow through passion-driven initiatives today

### Using the Rail-Sea-Rail cargo handling route

Rail-Sea-Rail (RSR) coal movement refers to coal transportation using rail and ships alternatively.

This strategy was largely untried in the past.

Around 30 MMPTA of domestic coal is shipped coastally to Tamil Nadu, Andhra Pradesh and Karnataka; a recent study involving Asian Development Bank identified an additional potential of 110 MTPA coal movement through coastal shipping by FY 2024-25.

RSR mode has been established as the cheapest for power plants in Southern Andhra Pradesh, Tamil Nadu and Gujarat.

APSEZ started RSR coal movement at Krishnapatnam port, Dhamra port, Gangavaram port, Mormugao and Tuna terminals.

RSR cargo transportation is marked by efficient transportation, cost optimisation, rail network decongestion and enhanced reliability.

RSR movement has been identified as 'green' and complementary option to the existing supply chain.

An increased use of the RSR will help moderate the cost and carbon footprint of the logistics chain in the country.

### Coastal iron ore movement

APSEZ's Gangavaram port is located in a mineral-rich hinterland.

This provides the port with the opportunity to handle export-import and coastal mineral volumes.

The Gangavaram port commenced handling coastal iron ore volumes; total coastal iron ore handled was 2.3 MMT in FY 2022-23; key customers serviced comprised JSW, Welspun and KIOCL.

### Coastal steel at Dighi Port

APSEZ initiated the handling of coastal steel volumes through barges at Dighi port.

Total steel volumes handled at Dighi in FY 2022-23 was around 60,000 MT.

### Coastal coal volumes at other ports

APSEZ ports/terminals are equipped to address coastal coal volumes.

The Company developed infrastructure and facilities to handle coastal coal

The ports best equipped comprise Dhamra Gangavaram and Krishnapatnam ports.

The total coastal coal volumes handled by APSEZ ports was around 19 MMT in FY 2022-23.

The recent acquisition of Karaikal port represents a strategic fit in this regard.



### Focus on green transportation

APSEZ is focusing on GHG emissions reduction through a complement of renewable energy, fuel shift mechanism, process improvement and replacement of legacy vehicles with electric equivalents

Replacement of diesel-operated ITVs with electric ITVs in container terminal operations

APSEZ replaced these diesel-operated ITVs with 304 E-ITVs (terminal tractors)

This is likely to moderate carbon emissions, improve air quality, reduce noise, enhance operational efficiency, integrate renewable energy and save costs

The Company also deployed electric cars and buses

### Asset utilisation & productivity improvements

At APSEZ, we target a zero waiting time of vessels at anchorage points (zero pre-berthing delays)

The Company focuses on optimal resource utilisation

### Gypsum handling mechanisation

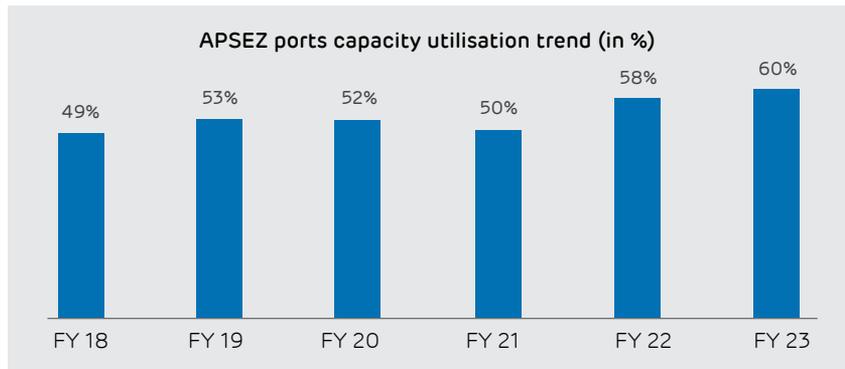
Earlier, the Dahej port handled gypsum manually (with mobile equipment).

The Company experimented process improvement through a mechanised alternative (conveyors).

This led to cost savings in diesel cost, leading to an expansion of margins.

This also moderated the carbon footprint related to the gypsum supply chain.

The mechanisation of gypsum rakes handling moderated gypsum rake loading time by more than 50% (1.3 hours against more than 4 hours earlier).



# How we are building for tomorrow by planning for enhanced stakeholder value

## The big picture

APSEZ is positioned to become the world's largest private port company by 2030 (1000 MMT cargo handling)

APSEZ is committed to become carbon-neutral by 2025

APSEZ is building an integrated Transport Utility platform

## End-to-end logistics solution

Graduate into a transport utility; provide a complete solution to bulk customers

Invest in GPWIS, container rail, warehousing and last mile delivery

Intended to enhance margins and customer retention

Presence across the value chain leading to a complete solution

## Cargo diversification

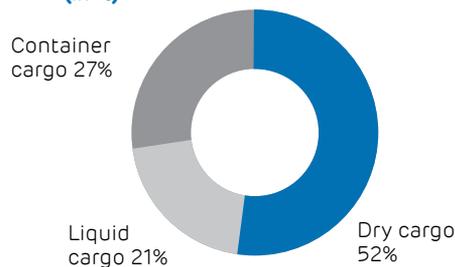
Focus on sustained cargo diversification

Added growth commodities (LNG and LPG) in the port portfolio

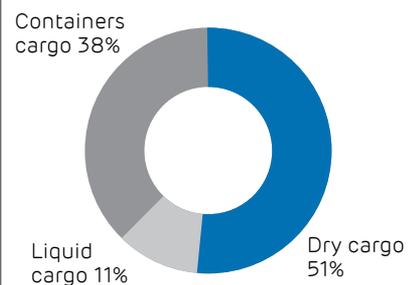
Signed a long-term contract for cargo volume growth and diversification

Developed ports assets/ infrastructure to help diversify the commodity mix

FY 2012-13: Commodities mix at APSEZ (in %)



FY 2022-23: Commodities mix at APSEZ (in %)



### Ports asset modernisation

Attract large vessels at ports  
Enhance port efficiency  
Modernise ports infrastructure (as in Krishnapatnam, converting dry cargo berths into Capesize vessel handling berths; mechanised dry cargo berth)  
Build capacity ahead of cargo demand

### ESG commitment

APSEZ aspires to be carbon neutral by 2025  
Validation by the most demanding global and Indian agencies  
Moderating use of water and fossil fuels  
Increased use of renewable energy  
Focus on terrestrial plantation & mangrove afforestation  
Aligned with the Adani Group vision of 100 million trees planted by 2030

### Productivity & efficiency

Focus on transportation cost reduction  
Use of IT & Analytics to improve productivity & efficiency  
Activities mapping and pursue improvements  
Review of each function to reduce steps, people deployment and costs  
Improving our turn around time across ports, increasing vessel loading/unloading, reducing pre-berthing delays

### Mergers and acquisitions

Sustained focus on acquisitions at a deep discount value  
Focus on unleashing superior acquired value through the Adani value complement  
Entered Sri Lanka and Israel; exploring opportunities in Asia, Africa and other markets

### Enhanced revenue visibility

54% of the cargo from tied-in customers (sticky cargo)  
Long-term visibility and predictability (volume and revenue)  
Extending vendorship to responsible partnership  
Platform to graduate port intermediation to transport utility engagement

### Customer-centricity

Deepen our role and presence inside customers  
Focus on taking the customer's business ahead  
Deepen investments in digitisation, automation, technology, SOPs and other initiatives  
Deliver superior financial outcomes for customers through our services

### Port-based industries

Focused on port-based industrialisation  
Complement port with land bank for industrialisation  
Provide plug-and-play industry land  
Complement of port cum land feeding off each other

### Enhance port connectivity

Proposed connectivity of all ports through multiple rail lines  
Rail connectivity to existing operating ports, which are missing rail linkages  
Focus on enhancing rail share ratio/rail co-efficient  
Developing assets like mechanised wagon loading silos and double stack container trains  
Invest in cross-country pipeline networks



## Integrated value reporting

# Our Integrated Value Report: A testimony of our commitment to a better tomorrow

### Overview

To leverage business opportunities, adapt to emerging trends, and generate lasting value for stakeholders, organisations must acquire and efficiently deploy different types of resources known as 'capitals.' These capitals encompass a range of assets that are crucial for success. Our overall strategy, commitment to environmental, social, and governance (ESG) principles, and emphasis on stakeholder satisfaction are aimed at ensuring the responsible and effective management of these capitals. The creation of sustainable value depends on our ability to acquire, utilise, measure the impact of, and deliver value through these capitals, both as tangible outcomes and as ongoing outputs.

### Approach to integrated reporting

#### Basis of presentation

Our Integrated Report is based on the principles contained in the International Integrated Reporting Framework published by the International Integrated Reporting Council (IIRC). In this report, the statutory sections - the Directors' Report, including Management Discussion and Analysis (MDA), and the Corporate Governance Report - are aligned with the Companies Act, 2013 (including the Rules framed thereunder), Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and the revised Secretarial Standards issued by the Institute of Company Secretaries of India. The financial statements are in accordance with the Indian Accounting Standards (Ind AS). This report covers the guidelines and commitments related to the GRI Standards, United Nations Global Compact (UNGC) principles, National Guidelines on Responsible Business Conduct (NGRBC), Sustainable Development Goals (SDGs) and India Business & Biodiversity Initiative (IBBI). It demonstrates our strategic alignment with a global commitment to combat climate change and alignment with Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. It covers the financial year from 1st April, 2022, to 31st March, 2023.

#### Reporting Boundary

This report covers the financial and non-financial aspects of Adani Ports and Special Economic Zone Limited (APSEZ), subsidiaries and joint ventures (including SEZ and the Logistics business vertical). The financial reporting covers all geographies of APSEZ's operations and 126 entities while the ESG parameters being reported for India operations cover 30 entities with more than 95% revenue contribution.

#### Audit and Assurance

We safeguard information quality contained in this Report through a robust verification process, leveraging our expertise

and that of third parties who have no financial interest in our operations other than for the assessment of this report. The statutory audits have been carried out by M/s. Deloitte Haskins & Sells LLP, Chartered Accountants and the secretarial audits have been done by CS Ashwin Shah, practicing Company Secretary.. The ESG information has been externally assured by Ernst & Young Associates LLP as per the International Standard on Assurance Engagements (ISAE) 3000 and Type 2 'Moderate level' as per AA 1000 AS v3. This document includes statements and commitments presenting the Company's expectations, which may involve risks and uncertainties such as global markets, operational incidents, mega trends etc. We cannot guarantee that such statements will become a reality. The intensity for non-financial parameters has been calculated against the consolidated revenue (operational and other income) of 126 entities.

#### Board and Management Assurance

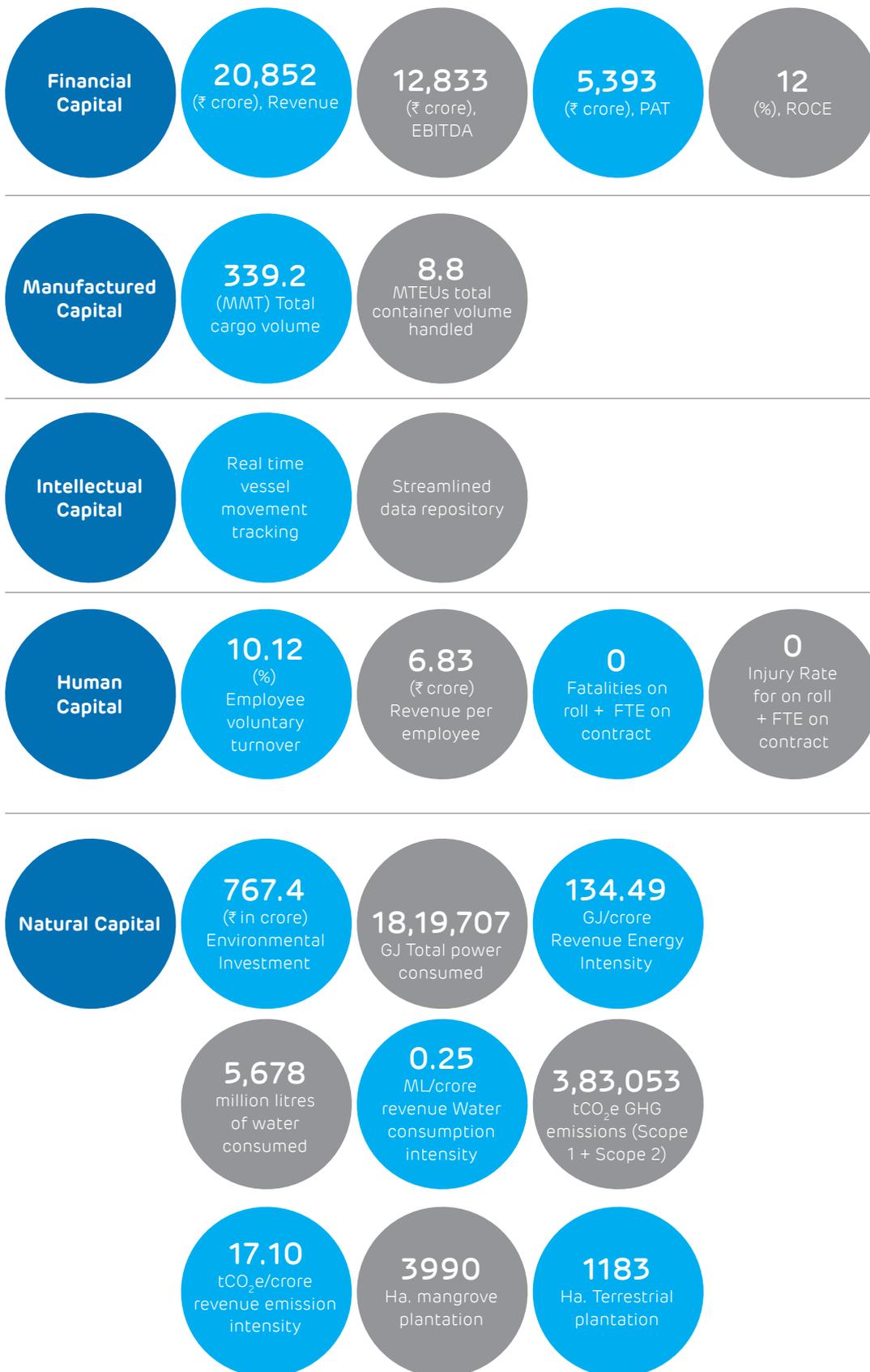
The Board of Directors and Management Team acknowledge their responsibility to ensure the integrity of this Integrated Report. They believe the report addresses all material issues and presents the integrated performance in a fair and accurate manner. Occasional differences in data and percentages in the graphs and tables are due to the rounding-off effect of values.

## Our Capitals

	Financial Capital	Manufactured Capital	Intellectual Capital
What is it?	Sustainable growth & enhancing shareholders value	Durable assets and equipments to provide customers with reliable services	Innovation as a platform to leverage growth
Management approach	Achieving sustainable growth to generate value for shareholders	Durable assets, reliable services	Innovation for competitive edge
Significant aspects	Striving for growth that is balanced and diversified Maintaining a stable and strong financial structure Focusing on achieving operational excellence. Prioritising sustainable outcomes and dividends	Efficient management of ports, ICDs, warehouses and cargo handling facilities & other assets	Leveraging digital and disruptive technology Partnering others to create and execute innovative business solutions

	Human Capital	Natural Capital	Social and Relationship Capital
What is it?	Skilled, motivated employees drive success	Company activities affect environment	Stakeholder and community engagement is crucial.
Management approach	Committed staff for inclusivity	Sustainable resources Combat Climate Change	Trust and Worker dignity, well-being Zero incidents safety program
Significant aspects	Employee welfare Talent retention Inclusivity, fairness Learning and growth	Combating climate change Preserving nature Reducing environmental impact Efficiency and energy savings	Engaging stakeholders Supporting communities Upholding human rights Brand reputation Transparency and governance Corporate image

### Performance snapshot





**Social and  
relationship  
Capital**

**6.68**  
(Lakh)  
Number of direct  
and indirect  
beneficiaries

**0.28**  
Injury rate of  
contractors

**9.62**  
millions  
Number of direct  
and indirect  
beneficiaries

**0.28**  
per million  
person hours  
worked,  
Injury rate of  
contractual  
workforce

**2**  
Fatalities  
(Contractual  
work force)

**21**  
LTI (Employee  
and contractual  
workforce)

# Empowering governance through our credible platform

## Overview

In the ports and logistics industry, our Company addresses various national priorities that are crucial for economic growth, job creation, prosperity in hinterland regions, environmental protection, and community development. These overarching priorities necessitate a governance framework that encompasses a clear vision, strategic clarity, ethical commitment, risk management discipline, process discipline, stakeholder focus, consistent growth in financial and operational performance, unwavering commitment to safety, environmental responsibility, business transparency and rewarding shareholders.

At Adani Ports, we have established a robust corporate governance framework that prioritises the long-term interests of all stakeholders. We operate with unwavering integrity, fairness, equity, transparency, accountability and a strong commitment to our core values.

## Our corporate governance philosophy

**Courage:** We shall embrace new ideas and businesses

**Trust:** We shall believe in our employees and other stakeholders

**Commitment:** We shall stand by our promises and adhere to a high standard of business.

## Key highlights

### Building trust through compliance:

Proactive approach to strengthening audits and ensuring compliance

The Company has not incurred any statutory penalties during the year under review.

**Enhanced Governance:** Independent Directors now constitute 66% in all Committees

Increased the number of independent directors to 66% in two statutory committees i.e., Stakeholders' Relationship Committee, Risk Management Committee and three non-statutory committees i.e., Mergers & Acquisitions Committee, Legal, Regulatory & Tax Committee and Reputational Risk Committee

**Empowering Independence:** Restructuring Committees for Enhanced Accountability and Focus

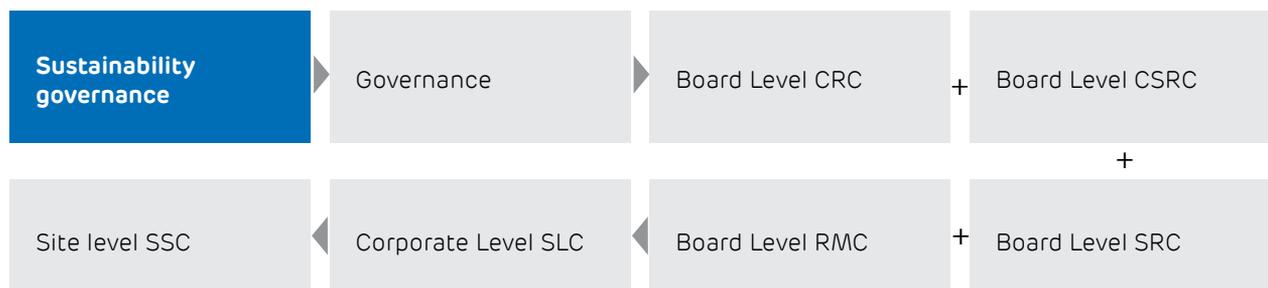
Four committees are completely governed by independent directors- Audit Committee, Nomination and Remuneration Committee (NRC), Corporate Responsibility Committee, Information Technology & Data Security

## Governance framework

The Board of Directors holds a pivotal role as the primary influential stakeholder in shaping the corporate governance standards at APSEZ. The governance framework establishes a systematic structure that enables the establishment of goals and objectives, monitors performance and efficiently manages risks.

The Board assumes the responsibility of approving crucial aspects such as APSEZ's policies, purpose, values, vision, overall strategy, goals, and targets. To support its functions, the Board is aided by various Board Committees, including the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee,

Corporate Responsibility Committee, Corporate Social Responsibility Committee, Information Technology & Data Security Committee, Risk Management Committee, Mergers & Acquisitions Committee, Legal Regulatory & Tax Committee, and Reputation Risk Committee.



### Code of conduct and ethical benchmarks

The Board of Directors has established a comprehensive Code of Business Conduct and Ethics, which applies to all members of the Board and Senior Management of the Company. The Code can be accessed on the official website of the Company at [www.adaniports.com](http://www.adaniports.com). It is mandatory for all Board members and senior management personnel to adhere to the provisions outlined in the Code, and they have affirmed their commitment to comply with it.

The Board has implemented a distinct code of conduct specifically tailored to

outline the responsibilities of Independent Directors, in accordance with the relevant legal provisions. APSEZ's Code of Conduct serves as an internal control system that governs the Company's business practices and provides guidance to the Board and employees in handling ethical dilemmas, corruption, bribery, and gender-related issues that could impact the Company's public reputation.

To ensure compliance with legal requirements and internal guidelines, APSEZ utilises an IT-enabled compliance management system called 'Legatrix'. This system offers dashboards to monitor

compliance status and serves as a resource library for relevant information. Notably, in the fiscal year 2022-23, the Company did not experience any breaches of the Code of Conduct pertaining to corruption and bribery. The Company's commitment to an audit-driven and compliance-driven approach has resulted in no statutory penalties being incurred during the reporting period.

As per policy, APSEZ is precluded from making any political contributions without the approval of the Board of Directors. In FY 2022-23, the Company made no political contributions.

### Reporting Breaches: Code of Conduct and Ethics Benchmarks

Reporting areas	Number of breaches in FY 2022-23
Corruption or Bribery	0
Discrimination or Harassment	0
Customer Privacy Data	0
Conflicts of Interest	0
Money Laundering or Insider trading	0

### Board composition and structure

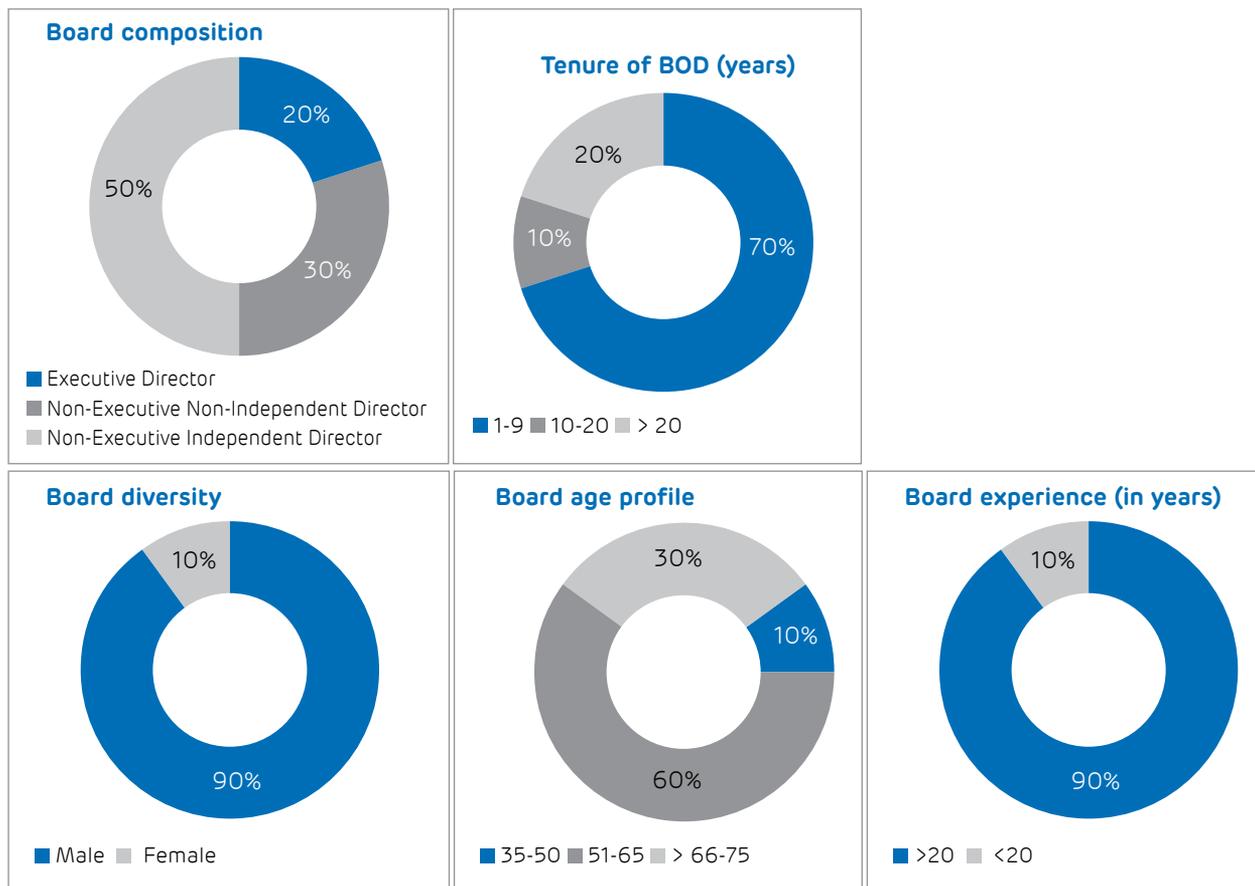
The composition of the Board is designed to include a balanced mix of Executive, Non-executive, and Independent Directors who bring diverse backgrounds, relevant skills, extensive knowledge, and valuable experiences to the table. Their presence enhances our corporate values and enables them to provide strategic guidance that

is insightful and impactful. The composition of the Board adheres to the requirements specified by the Securities and Exchange Board of India (SEBI) Listing Regulations and the Companies Act, 2013.

As of 31st March, 2023, our Board follows a one-tier structure and consists of ten members in total. This includes two Executive

Directors, three Non-Executive Non-Independent Directors, and five Independent Directors.

At APSEZ, we are committed to promote gender diversity throughout our organisation and strive for gender parity at all management levels, starting from the Board itself. Currently, we have one female Director on the Board.



In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors serving on the Company's Board holds directorship in more than 10 public companies or acts as an independent director in more than 7 listed companies. Additionally, none of the Directors is a member of more than 10 committees or serves as the chairperson of more than 5 committees (specifically, audit committee

and stakeholders' relationship committee) across all the companies in which they hold directorship. All the Directors have duly disclosed their committee positions in other companies as required.

Moreover, the average tenure of Board Members is 9.7 years, reflecting their extensive experience and commitment to the Company.

#### Board mandates

Non-executive/ independent directors with 4 or less other mandates:

There are four independent/ non-executive directors with 4 or less other mandates:

1. Prof. G. Raghuram
2. Mr. G.K Pillai
3. Mr. Bharat Sheth
4. Mrs. Nirupama Rao

# Board of Directors



**Mr. Gautam S. Adani**, Chairman and Managing Director

Mr. Gautam Adani has over 36 years of business experience. Under his leadership, the Adani Group has emerged as a global integrated infrastructure player with interests across resources, logistics and energy verticals. His journey has been marked by his ambitious and entrepreneurial

vision, coupled with vigour and hard work. This has not only enabled the Group to achieve numerous milestones, but also resulted in the creation of a robust business model, which contributes to building sound infrastructure in India.

Age	60 years
Date of appointment	26.05.1998
Tenure, as on 31st March, 2023	24.8 years
No. of Directorships in other listed companies	6
Areas of expertise	Business Leadership, Financial Expertise, Risk Management, Global Experience, Corporate Governance & ESG, Merger & Acquisition, Technology & Innovation and industry experience



**Mr. Rajesh S. Adani**, Non-Independent and Non-Executive Director

Mr. Rajesh Adani has been associated with Adani Group since its inception. He is incharge of the operations of the Group and is responsible for developing its business relationships. His proactive,

personalised approach to the business and competitive spirit fuels the Group's growth and enables its branching into various businesses.

Age	58 years
Date of appointment	26.05.1998
Tenure, as on 31st March, 2023	24.8 years
No. of Directorships in other listed companies	4
Areas of expertise	Business Leadership, Financial Expertise, Risk Management, Global Experience, Corporate Governance & ESG, Merger & Acquisition, Technology & Innovation, Industry Experience



**Mr. Karan Adani**, Whole-Time Director and CEO

Mr. Karan Adani holds a degree in economics from Purdue University, USA. He started his career by learning about the intricacies of port operations at Mundra. Having gained experience across levels of our operations since 2009, he is responsible for the strategic development of the Adani Group and

oversees its day-to-day operations. He aims to build the Adani Group identity around an integrated business model, backed by his sound understanding of new processes, systems, macroeconomic issues and growing experience.

Age	36 years
Date of appointment	24.05.2017
Tenure, as on 31st March, 2023	5.9 years
No. of Directorships in other listed companies	2
Areas of expertise	Business Leadership, Financial Expertise, Risk Management, Global Experience, Corporate Governance & ESG, Merger & Acquisition, Technology & Innovation and industry experience



**Dr. Malay Mahadevia**, Non-Independent and Non-Executive Director

Dr. Malay Mahadevia holds a master's degree in dental surgery from Nair Hospital Dental College. He completed his Doctor of Philosophy in coastal ecology around Mundra area, Kutch District, from the Gujarat University

in 2008. He has contributed to the development of the Mundra Port since its conceptualisation. He is also a member of the Gujarat Chamber of Commerce and Industry.

Age	60 years
Date of appointment	20.05.2009
Tenure, as on 31st March, 2023	13.9 years
No. of Directorships in other listed companies	1
Areas of expertise	Business Leadership, Financial Expertise, Risk Management, Global Experience, Corporate Governance & ESG, Merger & Acquisition, Technology & Innovation, Industry Experience



**Prof. G. Raghuram**, Independent and Non-Executive Director

Prof. Ganesan Raghuram holds a Bachelor's degree in technology from the Indian Institute of Technology, Madras and a post graduate diploma in management from the Indian Institute of Management (IIM), Ahmedabad and a doctorate in philosophy from Northwestern University, USA. He is currently the Principal Academic Advisor of the National Rail and Transportation Institute and Professor (Emeritus) at the Gujarat Maritime University.

He was earlier Director of the Indian Institute of Management, Bangalore, until his superannuation in July 2020.

Prior to taking over as director of IIM Bangalore, he was a professor and chairperson of the Public Systems Group at IIMA. He has also been the Dean (Faculty) of IIMA, Vice-Chancellor of the Indian Maritime University and Indian Railways Chair Professor at IIMA. He specialises in infrastructure and transport systems, logistics and supply chain management. He is a fellow of the Operational Research Society of India and Chartered Institute of Logistics and Transport. He has teaching experience at universities in India, USA, Canada, Yugoslavia, Singapore, Tanzania, UAE and Japan.

Age	67 years
Date of appointment*	09.08.2014
Tenure, as on 31st March, 2023	8.6 years
No. of Directorships in other listed companies	1
Areas of expertise	Business Leadership, Financial Expertise, Risk Management, Global Experience, Corporate Governance & ESG, Merger & Acquisition, Technology & Innovation, Industry Experience

\*Prof. G. Raghuram was appointed on 14.05.2012 as independent director on the Board of the Company. However, he was appointed for the first term of 5 years w.e.f. 09.08.2014 and second term of 5 years w.e.f. 09.08.2019 as independent director pursuant to the provisions of Section 149 of the Companies Act, 2013.



**Mr. G.K. Pillai**, Independent and Non-Executive Director

Mr. G. K. Pillai is a distinguished alumnus of IIT Madras. He retired from the IAS as Union Home Secretary in 2011. While working for the State Government of Kerala, he held various positions, including that of District Collector, Quilon, Special Secretary Industries, Secretary Health and Principal Secretary to the Chief Minister. For the Government of India, he worked in the ministries of Defence, Surface Transport, Home and Commerce. He was the Chairman of Board of Approvals for SEZ, chief negotiator for India at the WTO and

Secretary Commerce, Government of India.

Mr. G. K. Pillai is heading the Audit and Risk management committees. He has vast experience of transport and logistics sector that helps in building financial policies and strategies. His elaborated experience in various sectors also helps in enriching the Board discussions and deliberations and assessment and identification of internal and external risks, measures for risk mitigation including systems and processes for internal control of identified risks and mitigation plan.

Age	73 years
Date of appointment*	09.08.2014
Tenure, as on 31st March, 2023	8.6 years
No. of Directorships in other listed companies	-
Areas of expertise	Business Leadership, Financial Expertise, Risk Management, Corporate Governance & ESG, Technology & Innovation and Industry Experience

\*Mr. G. K. Pillai was appointed on 14.05.2012 as independent director on the Board of the Company. However, he was appointed for the first term of 5 years w.e.f. 09.08.2014 and second term of 5 years w.e.f. 09.08.2019 as independent director pursuant to the provisions of Section 149 of the Companies Act, 2013.



**Mr. Bharat Sheth**, Independent and Non-Executive Director

Mr. Bharat K. Sheth obtained his Bachelor of Science in Economics from St. Andrews University, Scotland. He is Deputy Chairman and Managing Director of The Great Eastern Shipping Company Limited, one of India's premier shipping enterprises. Born in 1958 to India's first family of shipping entrepreneurs, Mr. Sheth joined the industry in 1981. In the initial years of his career, he worked in The Great Eastern Shipping Company, gaining hands-on experience in the business. He was inducted into the Company's Board as an Executive Director in 1989 and became Managing Director in 1999. In August 2005, he was appointed

Deputy Chairman & Managing Director. Mr. Sheth was inducted on the Board of Directors of North of England P&I Association Limited in October 2005 and on the Board of Steamship Mutual Association (Bermuda) Limited in February 2006. He is on the Board of Indian National Shipowners Association and International Tanker Owners Pollution Federation Limited. The Company is now an esteemed global shipping company through his ability in timing the markets. Under his active leadership, Great Eastern navigated tumultuous cycles across the last two decades.

Age	67 years
Date of appointment*	09.08.2014
Tenure, as on 31st March, 2023	8.6 years
No. of Directorships in other listed companies	1
Areas of expertise	Business Leadership, Financial Expertise, Risk Management, Global Experience, Corporate Governance & ESG, Merger & Acquisition, Technology & Innovation, Industry Experience



**Mrs. Nirupama Rao**, Independent and Non-Executive Director

Mrs. Nirupama Rao is a postgraduate in English Literature. She was also a Fellow at Harvard University, Brown University, University of California at San Diego and a recipient of the degree of Doctor of Letters (Honoris Causa) from the Pondicherry University. She was conferred with the Vanitha Ratna by the Government of Kerala in 2016. Mrs. Rao is currently a Global Fellow of The Wilson Center in Washington D.C. and a member of the Board of the US India Business Council (USIBC). A career diplomat from the Indian Foreign Service from 1973 to 2011, she served the Government of India in

several important positions, including that of the Foreign Secretary of India. She is renowned for her pivotal role in fostering the India-US partnership in IT & cybersecurity. Mrs. Rao has represented India in several countries during her career and was the first Indian woman to be appointed High Commissioner to Sri Lanka and Ambassador to China. She was also the first woman spokesperson of the Ministry of External Affairs. After her retirement, she was appointed as the Ambassador of India to the United States for a tenure of two years from 2011 to 2013.

Age	72 years
Date of appointment	22.04.2019
Tenure, as on 31st March, 2023	3.9 years
No. of Directorships in other listed companies	3
Areas of expertise	Business Leadership, Global Experience, Corporate Governance & ESG, Technology & Innovation, IT & cyber security, Industry Experience



**Mr. P.S. Jayakumar**, Independent and Non-Executive Director

Mr. P. S. Jayakumar is a Chartered Accountant and holds a Post Graduate Diploma in Business Management from XLRI Jamshedpur. Mr. Jayakumar worked for 23 years in Citibank (India and Singapore offices) and his last assignment in Citibank was as Country Head for the Consumer Banking Group. In 2015, Mr. Jayakumar was selected by the Government of India to serve as the

Managing Director and CEO for Bank of Baroda, the first person from the private sector to run a large public sector bank. He led a successful transformation of Bank of Baroda and completed three-way merger between Bank of Baroda, Vijaya Bank and Dena Bank. Mr. Jayakumar possesses a rich experience in the banking and financial sectors.

Age	60 years
Date of appointment	23.07.2020
Tenure, as on 31st March, 2023	2.7 years
No. of Directorships in other listed companies	3
Areas of expertise	Business Leadership, Financial Expertise, Risk Management, Global Experience, Corporate Governance & ESG, Merger & Acquisition, Technology & Innovation, Industry Experience



**Mr. Ranjitsinh B. Barad**, Non-Independent & Non-Executive Director

Mr. Ranjitsinh B. Barad, an IAS officer of the 2006 batch is Vice Chairman and Chief Executive Officer of Gujarat Maritime Board. He has done his Bachelor of Commerce, Masters in Labour Welfare and Bachelor of Laws. He started his career in civil services as an Additional District Magistrate, Surat in Gujarat. He has served as Chief

Executive officer - VUDA, Dy. Municipal Commissioner - Ahmedabad, Municipal Commissioner - Jamnagar and Collector - Mahisagar. He has also worked at Vadodara as a Collector. At present, he is Chairman of Gujarat Pollution Control Board and holding additional charge of Vice Chairman & Chief Executive Officer, Gujarat Maritime Board.

Age	58 years
Date of appointment	21.12.2022
Tenure, as on 31st March, 2023*	0.3 years
No. of Directorships in other listed companies	1
Areas of expertise	Business Leadership, Risk Management, Industry Experience

\* Resigned w.e.f. 23rd June, 2023

## Board industry experience

Industry experience is the knowledge and understanding of a particular industry, which include technical expertise, process knowledge, software, and other tools, as well as an understanding of

customer needs, organisational culture, and business development. It is the combination of an individual's on-the-job experience and a general industry knowledge. The board industry experience is given below:

Board industry experience											
Name of Directors	GICS Level 1 sectors experience/expertise										
	Energy	Materials	Industrials	Consumer Discretionary	Consumer Staples	Healthcare	Financials	Information Technology	Communication Services	Utilities	Real estate
Mr. Gautam S. Adani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rajesh S. Adani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Karan Adani	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Dr. Malay Mahadevia	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Mr. Ranjitsinh B. Barad, IAS	✓	✓	✓							✓	
Prof. G. Raghuram	✓			✓	✓			✓	✓	✓	
Mr. G. K. Pillai	✓	✓	✓	✓	✓	✓		✓		✓	
Mr. Bharat Sheth	✓	✓	✓				✓	✓			
Mrs. Nirupama Rao	✓	✓	✓	✓	✓		✓	✓	✓		
Mr. P. S. Jayakumar			✓				✓	✓			✓

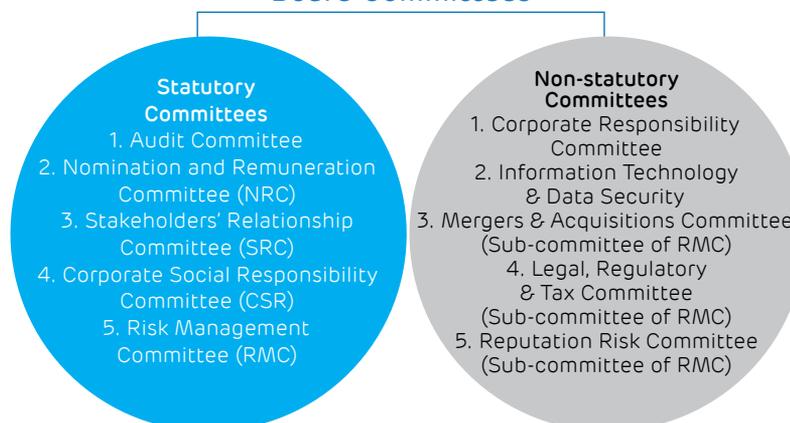
**Note:** The aforesaid skill sets are Global Industry Classification Standard and are different from skillsets mentioned in the Corporate Governance Report

## Committees of the Board

The Board Committees are established with the formal consent of the Board to carry out distinctly defined duties for supporting the Board, as part of good governance practice. The Board is accountable for Committee actions and oversees how they carry out their duties. The Board is presented with the minutes of all Committee meetings for evaluation.

As of 31st March, 2023, APSEZ comprised the following committees:

## Board Committees



## Board/Committee meetings and procedures

The internal guidelines for Board / Committee meetings facilitate the decision-making process at the meetings of the Board/Committees in an informed and efficient manner.

Parameters	Details
Terms of reference for committees	Committee(s) charters are in line with the regulatory requirements. Detailed charters of various committees are available on the website of the Company <a href="https://www.adaniports.com/Investors/board-and-committee-charters">https://www.adaniports.com/Investors/board-and-committee-charters</a>
Committee constitution	Majority of the committees have 66% of Independent Directors as members.
Details of meetings held during the year	Board meetings during FY 2022-23: 6 Committee meetings during FY 2022-23: 30 Independent Directors' meeting during FY 2022-23: 1 Board and Committee meetings during FY 2022-23: 36

The Board meetings are governed by a structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary, in consultation with the Senior Management, prepares the detailed agenda for the meetings.

The Board meets at least once every quarter to review the Company's operations and financial performance. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. The

maximum time gap between any two meetings is not more than 120 days. All the Directors are required to attend at least one Board meeting in the financial year wherein minimum attendance required is 25% with at least four Board meetings in one fiscal year. During the year under review the Board met six times i.e., on 24th May, 2022, 7th July, 2022, 8th August, 2022, 29th September, 2022, 1st November, 2022 and 7th February, 2023. The attendance details of Directors at Board meetings held during the year are disclosed in the Corporate Governance Report. The average Board meeting attendance was 79.9%.

## Board's performance evaluation & familiarisation programme

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Board as a whole, various committees as well as performance of individual directors.

As a step towards better governance practice, APSEZ conducts third-party evaluation of Board performance once every year. For the financial year ended 31st March, 2023, the Board engaged Talentonic HR Solutions for facilitating Board evaluation. The evaluation process focused on Board dynamics and softer aspects and involved independent discussions with all Board members. A detailed Board effectiveness assessment questionnaire was developed based on the criteria and framework adopted by the Board. One-to-one discussions with the Board of Directors and discussions were held on five key themes i.e., size and structure of the Board, Board involvement

in strategy, quality of Board discussions, Board leadership and organisation health and talent. The outcomes of the evaluation process were discussed with the Board and further actions were agreed upon.

At APSEZ, we have a comprehensive induction and familiarisation program in place for all new Board members. The Board appoints the director, subject to the shareholders' approval. The induction program covers the history and culture of Adani Group, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions. In addition, risk management trainings are provided to all Board members as part of familiarisation program. Further details can be accessed on the Company's website at <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Directors-Familiarisation-Programme.pdf>

## Board election process

1. The Nomination and Remuneration Committee identify person who are qualified to become directors in accordance with the criteria laid down and recommend to the Board for appointment.
2. The Committee formulate the criteria for determining qualifications, positive attributes and

independence of a director and recommend to the Board a policy, relating to the remuneration for the directors.

3. Based on the recommendations of Nomination and Remuneration Committee board takes the decision and board members are appointed accordingly.

## Policy on Directors' appointment and remuneration

The Company's policy on Directors' appointment and remuneration and other matters (Remuneration Policy) provided in Section 178(3) of the Act is available on the website of the Company at

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Remuneration-Policy.pdf>

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy.

## CEO-to-employee pay ratio

Median annual compensation of all employees	10.44 (in lakh)
The ratio between the total annual compensation of the Chief Executive Officer and the median employee compensation	51.7:1

## Requirements for Independent Directors

The Independent Directors meet the requirements of Section 149(6) of the Companies Act, 2013 read with Rules made there under and SEBI Listing Regulations as amended from time to time, currently, some of the conditionalities included are:

- Is a person of integrity and possesses relevant expertise and experience, in the opinion of the Board of Directors.
- The person is not the promoter of the Company or its holding, subsidiary or associate company and not related to promoters or directors in the Company or its holding, subsidiary or associate company
- The person has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year
- None of whose relatives have or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year
- The person who, neither himself nor any of his relative holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed
- The person must not be affiliated with any legal or consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm
- The person must not be in a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company.
- The person must not accept or have a Family Member who accepts any payments from the Company or any parent or subsidiary of the Company amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year.

The target share of Independent Directors is 50%.

# Resolving grievances with excellence: Our Company's commitment to redressal

## Overview

The Grievance Management System (GMS) is a transparent, seamless and time-bound platform that allows stakeholders to raise queries or complaints and get resolutions. It is an integrated platform adopted by all functions of the group, including Ports, Logistics, Dredging and Harboring and caters to the needs of internal and external stakeholders, including customers, suppliers, vendors, permanent and contractual employees and the community.

The process for raising a query or complaint is straightforward: stakeholders can register themselves through email or phone and generate an OTP to raise the case via the GMS application. The GMS platform is an essential tool for building trust among stakeholders and APSEZ is committed to addressing concerns and hearing all stakeholders' grievances. Once booked, the case goes to a gatekeeper, who assigns it to the relevant level-1 respondent. The case can be reassigned to other respondents in the responsibility

chain and the gatekeeper also reallocates requests, registers stakeholders on their behalf, reviews final comments from all respondents and submits them to stakeholders.

This defined procedure for redressal sets responsibilities within the concerned team and provides a definite timeline for resolution. The use of technology makes the process efficient and scalable. Stakeholders can view the response on the dashboard, provide feedback, or reopen the case if not satisfied.

## Other means of grievance redressal

As an organisation, we believe in maintaining an open-door culture where our employees can share their concerns and feedback without hesitation. We value the opinions and experiences of our employees and believe that listening to them is crucial to their sense of importance and confidence.

That is why we have implemented an online Grievance Redressal system called Speak-Up, which is exclusively for our employees to raise any concerns they may have. The system allows them to bring

their concerns to the attention of the Grievance Redressal Committee (GRC), which resolves these issues within 14 working days. We provide our employees with detailed information about the Speak-Up system to encourage them to use it.

We also have grievance registers and complaint boxes available at our sites and locations, making it easier for our employees to share their concerns. Additionally, our contractual workers can report their grievances to their respective contractor representatives or company supervisors, who are responsible for addressing these issues

and escalating them to HR and functional heads if needed.

We are committed to ensuring that everyone engaged with our organisation, including suppliers, consultants, retainers and clients, can raise their complaints with our HR Business Partners and respective functional heads.

Our supervisors, seniors and department heads are also available to address any grievances that our employees may have directly. Overall, we provide a comprehensive system for reporting grievances, which are recorded, reviewed, escalated and resolved within a specific

time frame. This approach demonstrates our commitment

to addressing our employees' concerns and promoting a culture

of transparency and fairness within our organisation.

### Advocacy and leadership

APSEZ as an industry leader has a significant role to play in supporting the larger policy development of the country, with the aim of promoting the common good. The Company participates in sector-specific public open consultations, as and when invited, and participates in regional and national policy dialogues through the industry associations and other social bodies.

The Company has set processes to identify, assess and prioritise, emerging government policies, regulatory and public issues with the potential to significantly impact APSEZ's ability to meet its business objective. The ESG topics where APSEZ engages the most include environmental approvals and compliances, climate change mitigation and adaptation measures, port development for trade enhancement, resource efficiency, marine pollution, and biodiversity.

### Governance Framework & Management System for Policy Advocacy:

We have a well-defined governance system to participate in open consultations on industry-related policies at the state and national level. The decision on advocacy is governed by the Executive Team.

1. The proposal to provide inputs on policies, is directed from different cross-functional teams to the ESG Head.
2. The ESG Head develops and executes the policy position on all relevant issues.
3. Proper scrutiny of the subject and its alignment with APSEZ's own goals/policies is ascertained before seeking CEO's approval
4. At the board level, the CEO oversees the strategies and policy advocacy and approves it for advocacy.

At the Management Level it

is the responsibility of the Head ESG to develop the strategies with a detailed plan on policy commitments and trade association membership requirements. At site level, the departmental heads facilitate the implementation of various projects /commitments, including our net zero emission projects, within their respective business/function through the Steering Committee.

**Review & Monitoring:** The Corporate Responsibility Committee undertakes quarterly review of the policy advocacy proposals and actions undertaken. Any deviations or misalignment between trade associations advocacy and our commitments is identified by the Head ESG and corrective actions undertaken.

### Policy Participation on Climate Topics in FY 2022-23

We strongly support the targets under the Paris Agreement and are fully aligned with India's commitments under the Agreement. Our own commitments and efforts are directed at achieving these targets well before the timeline set under India's Nationally Determined Commitments (NDC). During the year, APSEZ participated in several consultations and engagements to further support Govt's climate change agenda.

1. Ministry of Ports, Shipping & Waterways to develop Green Port Guidelines- 2023. We shared our inputs on decarbonisation plans and targets for renewable energy, energy efficiency, water conservation, biodiversity protection, and climate adaptation for the port & shipping industry. We support policies to incentivise industry for adoption of best practices to achieve country's climate goals as well as decarbonisation the shipping industry.

2. Ministry of Ports, Shipping & Waterways'consultation on 78th session of Marine Environment Protection Committee (MEPC) of the International Maritime Organisation (IMO) on GHG emission reduction by the port sector.

3. Industry associations such as Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce & Industry (FICCI) on driving positive change and ensure that the industry is aligned with global aim to achieve net zero emissions.

Industry associations through which we participate in advocacy and leadership initiatives:

- Confederation of Indian Industry (CII)
  - World Economic Forum (WEF)
  - Federation of Indian Export Organisations (FIEO)
  - Federation of Indian Chamber of Commerce and Industry (FICCI)
  - The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
  - Ahmedabad Management Association (AMA)
  - Gujarat Chamber of Commerce and Industry (GCCCI)
  - Federation of Kutch Industries (FKI)
  - Hazira Area Industries Association (HAIA)
  - Southern Gujarat Chamber of Commerce & Industries (SGCCI)
  - Gujarat Safety Council – Vadodara (GSC)
  - National Safety Council – Mumbai (NSC)
  - Industrial Waste Management Association, Chennai (IWMA)
- The Company subscribes to the following externally developed principles:
- United Nations Global Compact (UNGC)
  - India Business & Biodiversity Initiative (IBBI)
  - IUCN - Leaders for Nature (LfN), India

# Nurturing stakeholder relationships

## Overview

We remain committed to our stakeholders while cultivating mutual trust and respect. Effective stakeholder engagement is integral to the achievement of our strategic objectives.

At APSEZ, we value the opinions and concerns of internal and external stakeholders and strive to adapt to any emerging risks while meeting their expectations. We consider active engagement with our stakeholders as a vital component of dynamic corporate governance. This feedback not only helps us understand the needs and concerns of our stakeholders, but also provides valuable information that informs our strategic approach, policies and procedures.

We employ various means of engaging with our stakeholders, such as direct communication, surveys, industry forums and information sharing. Our goal is to maintain regular

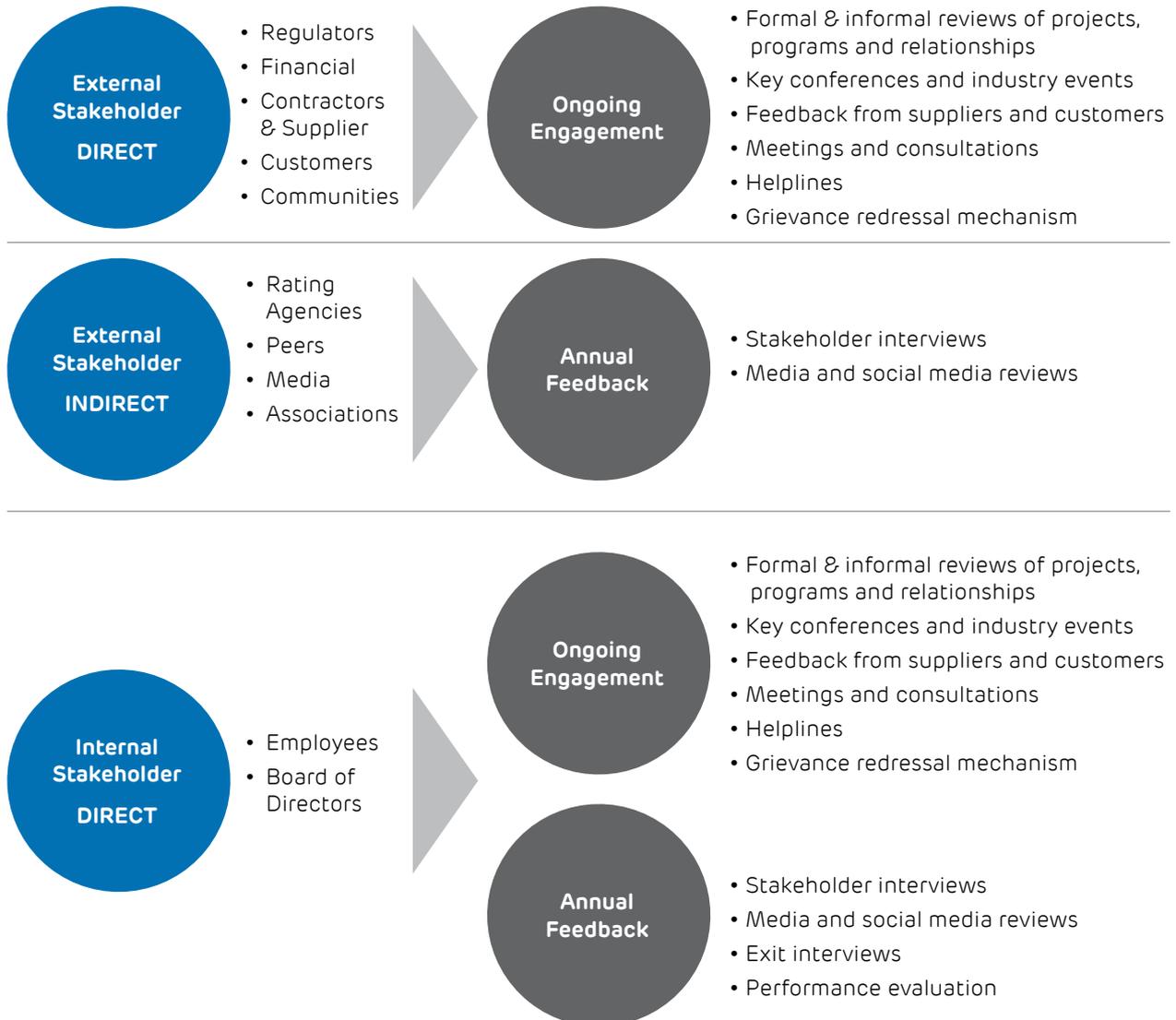
communication with our stakeholders on important issues. We also seek additional feedback from stakeholders during the development of our sustainability reports, as this input is crucial for report preparation.

Our stakeholders encompass a wide range of groups, including customers, employees, investors, government, communities and suppliers. All these groups have a significant impact on the Company's risks, opportunities and potential for growth. The Company provides quarterly briefings on stakeholder engagement to the Board of Directors. The responsibility of Stakeholder Engagement lies with Head ESG and Investor Relations.

We conduct a thorough analysis of each stakeholder group to understand their expectations, needs, concerns, and potential contributions to our organisation. We prioritise the stakeholders based on stakeholders who

can influence or/ are impacted. Thereafter, we develop inclusive engagement strategies that consider the diverse perspectives and needs of stakeholders and create platforms for open dialogue, feedback mechanisms, and participation opportunities. We ensure that underrepresented or marginalised groups have a voice and are actively included in decision-making processes.

We maintain transparent and accurate records of stakeholder engagement activities and document key decisions, feedback received, and actions taken. The local implementation of the group-wide Stakeholder Engagement policy is explicitly included as a component of the annual performance review for the top managers of the local operations. Local managers at all locations till top level undergo training programs focused on how to undertake stakeholder engagement.



## Stakeholder concerns

	Community	Customers	Investors	Suppliers	Regulators	Employees
<b>Why we engage</b>	To effectively share information regarding our work and its potential risks and impacts. This involves actively listening to their concerns, gaining a thorough understanding of their perspectives and taking appropriate actions to address any perceived impacts and meet their expectations. Additionally, we strive to create opportunities for local development and growth.	To gather valuable feedback and insights that can help inform product and service development, improve customer satisfaction and increase customer loyalty.	To further emphasise our dedication to the financial success of the Company and generating value for our shareholders.	To promote sustainability including health and safety in our value chain.	To obtain clarity on regulatory requirements, potential risks and opportunities.	To advocate for issues such as prioritising safety in our operations, showing consideration for the environment and demonstrating respect towards people - including our employees, contractors, suppliers and the communities we operate in.
<b>What matters to our stakeholders</b>	The communities residing around our operations heavily rely on natural resources and it is crucial for us to maintain positive and healthy relationships with them. Sharing resources with the communities and ensuring that their livelihoods are not impacted is our top priority	To ensure sustainable growth, it is essential for us to understand the changing preferences of our customers. By gaining insight into their needs and demands, we can adapt and develop our offerings accordingly	Maintaining the support of our investors is vital to ensure continued access to capital. We recognise the importance of building and maintaining strong relationships with our investors to secure the resources we need to grow sustainably	To ensure an efficient and productive supply chain, effective relationships with suppliers of materials and service vendors are essential. By maintaining a secure and reliable supply chain, we can ensure smooth operations and minimise disruptions.	We abide by the regulations and requirements set forth in the environment in which we operate. We work collaboratively with regulatory bodies to develop effective solutions for common challenges, ensuring compliance with the regulatory environment	Our growth and success depend on our people's quality. We recruit and retain top talent and value employee feedback to maintain a fulfilling work environment.

	Community	Customers	Investors	Suppliers	Regulators	Employees
<b>How we respond</b>	<ul style="list-style-type: none"> <li>• Livelihood support</li> <li>• Social infrastructure</li> <li>• Health &amp; safety</li> <li>• Environment conservation</li> <li>• Biodiversity conservation</li> </ul>	<ul style="list-style-type: none"> <li>• Service quality</li> <li>• Automated access to services</li> <li>• Clear information on meeting</li> <li>• Sustainability initiatives ease of business cost and price</li> </ul>	<ul style="list-style-type: none"> <li>• Business performance</li> <li>• Esg agenda</li> <li>• Corporate governance</li> <li>• Compliance</li> <li>• Strength of leadership</li> </ul>	<ul style="list-style-type: none"> <li>• Health &amp; safety</li> <li>• Fair payments</li> <li>• Ethical &amp; fair practices</li> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Regulations tax</li> <li>• Human rights</li> <li>• Climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Compensation &amp; benefits</li> <li>• Training &amp; development</li> <li>• Diversity &amp; inclusion</li> <li>• Feedback &amp; engagement</li> </ul>
<b>Where to look in the report</b>	Empowering communities: driving change for better future	Value offered to customers - safety, speed, and delight	Nurturing stakeholder relationship	Sustainable supply chain practices: balancing efficiency and environmental responsibility	Nurturing stakeholder relationships	Employee empowerment: nurturing talent and inclusive work environment



## Stakeholder concerns

At APSEZ, we maintain an ongoing communication with our stakeholders through a variety of channels. In the fiscal year 2022-23, we engaged in in-person and digital one-on-one interactions with most of our stakeholder groups and shared the insights gained with our teams. After stakeholder engagement activity, we conduct debriefing sessions involving the project team or individuals involved. These sessions provide an opportunity to reflect on the experience, identify successes, challenges, and areas for development and share cross learnings. Key insights and lessons learned are documented and shared within the organisation. We utilise internal communication channels such as newsletters, intranet portals, or dedicated collaboration platforms to share lessons learned from stakeholder engagement experiences.

We recognise that obtaining feedback from stakeholders requires resources, but we are committed to actively listening to their input. To guide us in revising our materiality matrix, we consider the nature of our business relationships, as well as industry trends and outlooks.

### Suppliers engaged via ESG assessment and human rights assessment

As a part of our supplier evaluation process, we perform ESG assessments, which involve examining their environmental practices and measuring their performance based on key indicators like energy and water usage. We also keep a close eye on their adherence to our Company policies and environmental laws. Suppliers who receive a score above 90 are acknowledged, and we work with them to establish action plans for further improvement. Moreover, we carry out third-party audits to ensure that their operations meet standards for safe working conditions, labour policies, and human rights. We evaluate their alignment with our human rights policies by conducting annual vendor engagement surveys and engaging in one-on-one discussions.

### Customers engaged via survey

Customers (shipping lines) are required to adhere to the Berthing Guidelines, which outline operational and environmental safety measures endorsed by the Marine Department. As customers have a significant impact on marine biodiversity, they are evaluated on their environmental and sustainability policies and alignment with APSEZ's goals. Surveys assess their management systems, certifications, and targets for carbon reduction, waste management, and water efficiency. Human rights policies are also evaluated, including adherence to labour laws, minimum wages, and anti-discrimination policies.

### Community members engaged via need-based assessment and impact assessment surveys

We conduct need assessments to determine which interventions are necessary for communities, and third-party impact assessments are performed to measure the positive effects of our CSR projects. Additionally, we conduct human rights studies and assessments.

### Employees engaged via employee survey and human rights survey

Annually, we carry out surveys to evaluate our performance, identify areas that need improvement, and understand employees' perspectives. This helps us to achieve our goal of being an employer of choice. In this year's survey, we gathered feedback on the effectiveness of our system for identifying and reporting human rights issues, awareness of reporting mechanisms, and instances of workplace harassment or discrimination.

# Materiality

## Approach to materiality

Our approach to materiality involves taking a strategic and value-creating assessment to identify all environment, social and governance issues of significance to stakeholders and impacting business performance. These material issues are identified through active engagement with stakeholders and keeping track of industry trends. The Integrated Report considers both internal and external impacts of our activities and centres around our performance on these material issues. The process of determining materiality at APSEZ is compliant with the prescriptions of the IIRC and draws from the 6 capitals of integrated reporting.

Since 2015, we have conducted

materiality assessments annually and updated them through a comprehensive process every two years. These assessments help us evaluate the importance of various topics for our stakeholders and business, enabling us to prioritise those that have the highest level of importance. These topics are included in our ESG agenda, which focuses on issues that pose risks to our business continuity and have a financial and reputational impact. Our comprehensive approach to developing our ESG agenda ensures that we stay up to date with emerging priorities and stakeholder expectations. We continually monitor relevant business developments, risks and opportunities, sustainability trends, changes in legislation and the perspectives and needs of our

stakeholders.

During FY 2022-23, we undertook a third party-led materiality assessment with internal stakeholders (executive board members, functional heads, and employees) and external stakeholders (suppliers, investors, customers, non-governmental organisations and business associations) to validate whether our current material topics continue to be appropriate and to identify emerging issues. The assessment followed the principles of double materiality which involved a two-pillar approach where both our organisation's impact on the economy, environment, and society, and the impact of society and the environment on our organisation has been considered.

Financial materiality	Impact materiality
Sustainability matters impacting financial undertakings i.e., generating risks and opportunities influencing cash flow over short, medium, or long term	Sustainability matters having a significant impact on people or environment, over short, medium, or long term

## DOUBLE MATERIALITY

## Methodology

Our materiality analysis involved a systematic and methodical approach to identify and prioritise the most critical issues. We commenced the process by gathering pertinent insights through primary and secondary research and proceeded to perform necessary calculations to construct the materiality matrix. We obtained primary inputs by directly engaging with stakeholders to discuss material issues.

### Identify

This comprehensive approach enables us to identify critical

ESG topics for our business and stakeholders. It includes social media analysis, benchmarking against peers and reviews of emerging national and global regulations and international standards. Internal insights, such as group and company strategies, risk registers and policies, are also considered.

To ease out data driven analysis, we seek feedback from stakeholders for highlighting limitations, implications and forward-looking highlights. For each material issues, an impacted group of stakeholders (internal and external) is identified and engagements are conducted

through surveys and interviews to analyse the inward and outward impact.

### Assess

We group issues into common themes and evaluate their importance to stakeholders and potential impact on the business using a defined scoring methodology and materiality matrix.

### Determining key business objectives and risks

We concentrate on identifying and addressing operational, strategic, compliance and reputational risks across both financial and non-financial realms.

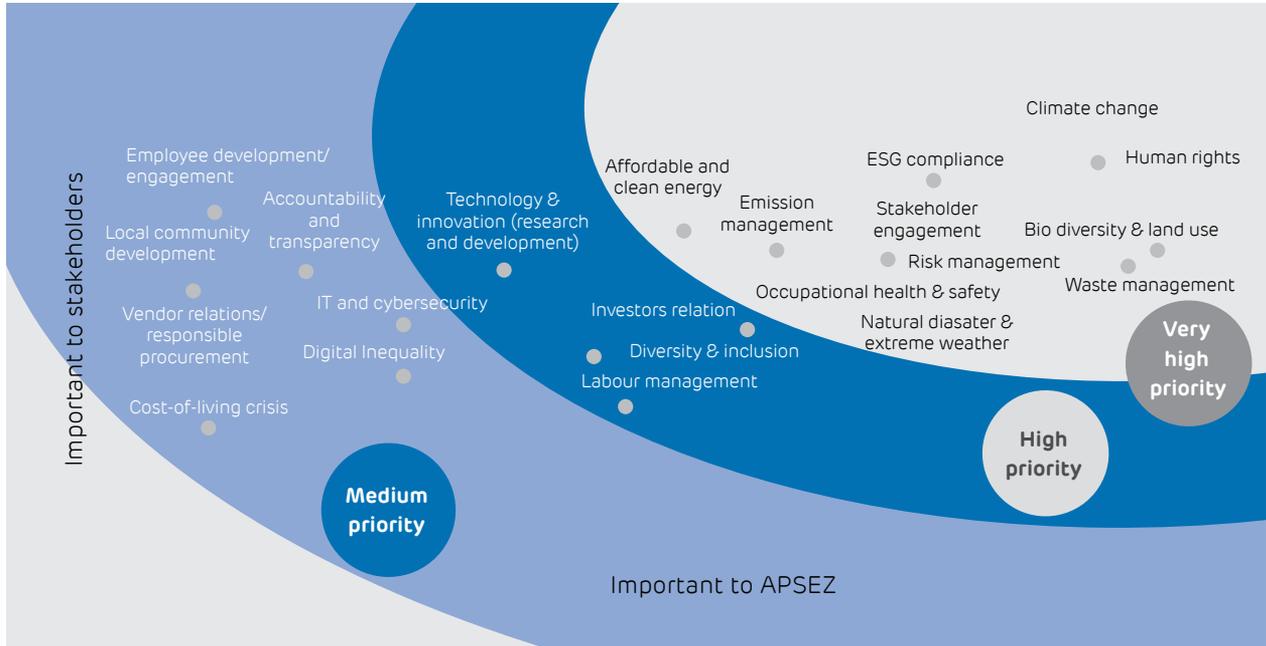
Each year, a comprehensive risk assessment is carried out at the Group level. Identified ESG topics are built into our ERM process. This helps to ensure that the full range of sustainability topics are incorporated into the risks and opportunities that are considered across the Company.

**Prioritisation and Mapping**

Issues are arranged according to their significance and impact to establish an ESG agenda. The prioritised responses are mapped into an ESG themed matrix.

Report content, and some of these topics have changed

in importance over time with regards to responses from various stakeholders and scoring methodology used for prioritisation of these issues.



**Monitoring and Validation**

Our materiality approach ensures that the sustainability risks and opportunities faced by our business are integrated into our

enterprise risk management (ERM) framework. Our Chief Risk Officer maintains a constant oversight over the process, and the outcomes of materiality assessment results are then

validated and signed off by the Board of Directors. The process of materiality assessment and its outcomes are verified by a third-party assurance provider.

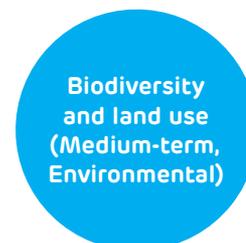


## Top three material topics

The below figure illustrates the top material concerns and stakeholder feedback, as well as its relevance to our business. The findings of our materiality exercise have been classified into

very high priority, high priority medium priority categories, based on stakeholder impact and contribution to business success in the short, medium, and long terms. The senior leadership has revisited the material economic issues through various stakeholder

engagement processes and business reviews. These ESG priorities are integral to our vision of becoming the world's largest port company by 2030. Two out of three top materiality topics are from the environment theme.



### Human Rights (Medium-term, Social)

Human rights is a material topic and we have developed policies and practices that respect and promote human rights, conduct human rights due diligence to identify, address risks and engage with stakeholders to understand and address their concerns.

### Climate Change (Long-term, Environmental)

Our belief is that the low-carbon economy is essential for achieving business sustainability and remaining competitive. Therefore, we are continuously investing in processes that promote growth while enhancing energy efficiency and developing low-carbon technologies to support infrastructure development.

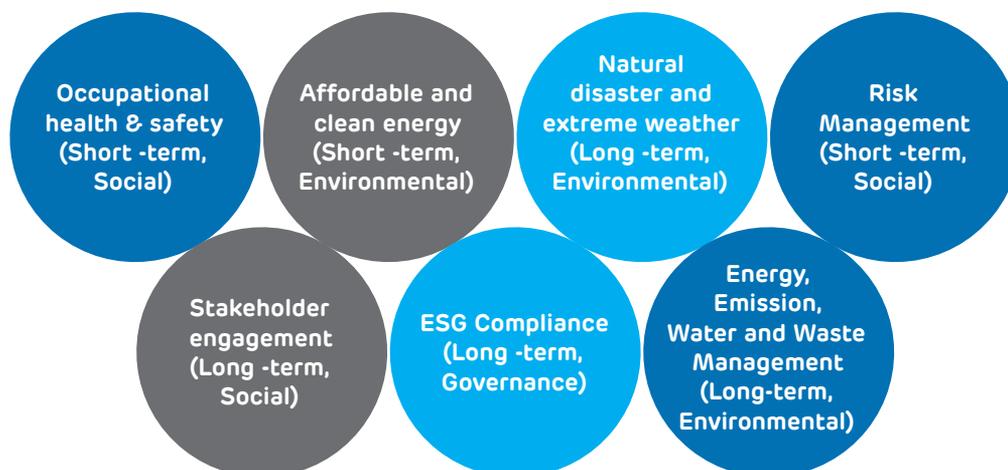
### Biodiversity and land use (Medium-term, Environmental)

As a company engaged in port and logistics, we acknowledge our responsibility towards the marine ecosystems. We are committed to minimising any adverse effects and safeguard the flora and fauna on land and underwater to the best of our abilities and it remains our top priority.

Material Issue	Business Case	Mitigation Approach	Impact	Target Metric	Progress
Human rights	<p>Port operations in areas with weak governance and legislation to protect human rights, face community related risks, causing failure to account for rights of indigenous people.</p> <p>At APSEZ, we recognise the importance of universal values, emphasis on human rights and the rights of indigenous people. Upholding human rights is essential for protecting organisation's communities, employees and other stake-holders for avoiding stakeholder liabilities.</p>	<p>We foster a culture free from discrimination and powered by diverse employee capabilities.</p> <p>We regularly conduct human rights assessment for employees, suppliers, customers and communities.</p> <p>We provide awareness and training to suppliers on human rights.</p> <p>All our ports and offices are assessed on aspects such as child labour, forced/involuntary labour, sexual harassment and discrimination at workplace and wages.</p>	Risk	Assess 100% sites for human rights reviews or human rights impact assessment	100% of own operations are assessed for human rights impact

Material Issue	Business Case	Mitigation Approach	Impact	Target Metric	Progress
<b>Climate change</b>	Physical and transition risks related to climate change directly impact our business. Physical risks comprise the direct consequences of climate change such as increased frequency and severity of heatwaves, changes in precipitation patterns and temperature variability. Whereas transition risks refer to changes in energy market because of efforts to mitigate climate change. Adapting to climate change risks is necessary for our business model, as we face increased competition from new entrants and alternative energy sources, as well as risk of regulatory penalties for non-compliance with new emission standards.	<p>-We have taken steps to mitigate the emissions in our operations and value chain by committing to SBTi</p> <p>- We have implemented energy efficient measures, such as the use of LED lighting</p> <p>- Aspire to switch from fossil fuel to green hydrogen.</p> <p>- Increase of renewable electricity in total electricity.</p>	Risk	Green ports and Carbon Neutrality by 2025 Net zero by 2040	Climate risk assessment conducted for 12 ports
<b>Biodiversity &amp; land use</b>	Business activities such as habitat fragmentation, deforestation and erosion can lead to loss of habitats for wildlife, as well as decline in diversity and abundance of species. Ecosystem and biodiversity has an impact on our operations as non-compliance to land-use, greenfield expansions, rehabilitation and redevelopment etc. can expose it to regulatory and legal risks.	<p>Development footprint is kept outside Eco-sensitive area.</p> <p>We have aligned our ports to Oil Spill Action plan in accordance with the National Oil Spill Disaster Contingency Plan (NOS-DCP), International Petroleum Industry Environmental Conservation Association.</p> <p>We assess the results of approved projects that are required to be released on half-yearly basis to the relevant authorities.</p> <p>We have signed a CII-supported India Business and Biodiversity Initiative (IBBI).</p>	Risk	Net Positive Impact on Biodiversity across all the operational sites by 2050 No Net Deforestation by 2050	1183 hectares of terrestrial plantation 3990 hectares of mangrove afforestation Development of site-specific Biodiversity Management Plan for our ports in Mundra, Dhamra, Hazira and Vizhinjam

## Other material topics



## Addressing 'high priority' concerns

Our material issues along with measures and linked key performance indicators are mentioned in the table below:

### ENVIRONMENTAL

Material concern	Measures taken	Linked KPIs
<b>Climate change</b>	<ul style="list-style-type: none"> <li>• Conversion of fossil fuel-based equipments to greener fuel.</li> <li>• Introduction of electric internal transfer vehicles across the sites for transportation of cargo</li> <li>• Installation of captive solar and wind power plants.</li> </ul>	<ul style="list-style-type: none"> <li>• GHG emissions intensity</li> <li>• % of renewable electricity in Total Electricity</li> <li>• % of fuel energy in total energy</li> </ul>
<b>Affordable and clean energy</b>	<ul style="list-style-type: none"> <li>• Installation of captive solar and wind power plants.</li> <li>• Green power purchase agreements.</li> </ul>	<ul style="list-style-type: none"> <li>• % of renewable energy</li> </ul>

Material concern	Measures taken	Linked KPIs
Biodiversity & land use	<ul style="list-style-type: none"> <li>• ESMPs (Environment and social management plans) across the sites</li> <li>• Mangrove afforestation and conservation</li> <li>• Terrestrial plantation</li> </ul>	<ul style="list-style-type: none"> <li>• Total area of Mangrove afforestation</li> <li>• Total area of terrestrial plantation</li> </ul>
Energy, emission, water and waste management	<ul style="list-style-type: none"> <li>• Deployment of best available technologies</li> <li>• Automation of systems for optimisation of process</li> <li>• ZLD at sites</li> <li>• Reuse and recycle of wastewater</li> <li>• Installation of STP &amp; LTP</li> <li>• Zero waste to landfill</li> </ul>	<ul style="list-style-type: none"> <li>• Specific energy consumption</li> <li>• Specific water consumption</li> <li>• No of sites certified with ZWL</li> </ul>
Natural disaster and extreme weather	<ul style="list-style-type: none"> <li>• Environmental and social management framework</li> <li>• Site specific environmental and social management plans</li> <li>• Shore line impact assessment</li> <li>• Mangrove afforestation</li> <li>• Emergency preparedness plan</li> </ul>	<ul style="list-style-type: none"> <li>• Total number of sites covered under ESMPs</li> </ul>

## SOCIAL

Material concern	Measures taken	Linked KPIs
Occupational health and safety (OHS)	<ul style="list-style-type: none"> <li>• Build safety leadership capability at all levels.</li> <li>• Achieve zero harm.</li> <li>• Improve competency and capability for hazard identification and risk management.</li> <li>• Achieve zero harm to contract employees by strengthening deployment of Contractor Safety Management Standard</li> <li>• Excellence in Process Safety Management (PSM)</li> <li>• Establishment of industrial hygiene and improvement in occupational health</li> </ul>	<ul style="list-style-type: none"> <li>• Lost Time Injury (LTI)</li> <li>• Lost Time Injury Frequency Rate (LTIFR)</li> <li>• Fatalities</li> </ul>
Human rights	<ul style="list-style-type: none"> <li>• Amendment of Human Rights Guidelines, Suppliers Code of Conduct and Diversity, Equity &amp; Inclusion policy</li> <li>• Assessing Suppliers before onboarding</li> <li>• Provide access to quality health facilities to the nearby community and to a create healthy society.</li> <li>• Internal audits</li> <li>• Responsible recruitment procedure</li> <li>• Clear contract with agencies/suppliers</li> <li>• Training on Human Rights awareness</li> <li>• Grievance Mechanism</li> </ul>	<ul style="list-style-type: none"> <li>• Policy commitments</li> <li>• Incidents of discrimination and harassment</li> </ul>

## Governance

Material concern	Measures taken	Linked KPIs
Stakeholder engagement	<ul style="list-style-type: none"> <li>• Enhancement of specialised channels, such as public meetings, vendor-focussed committees, 'Speak Up'</li> <li>• toll-free number and platforms, such as Ariba and construction conclaves and similar events</li> </ul>	<ul style="list-style-type: none"> <li>• Performance in various surveys conducted periodically for stakeholder categories, including:               <ul style="list-style-type: none"> <li>• Customer Satisfaction Survey</li> <li>• Vendor Satisfaction Survey</li> </ul> </li> </ul>
ESG compliance	<ul style="list-style-type: none"> <li>• Consistent improvement in our disclosures through the &lt;IR&gt; framework, CEO water Mandate and UNGC communication on progress</li> <li>• Engagement with ESG rating agencies for improving disclosure practices and enhance access to sustainable finance.</li> <li>• Updating the Company's website periodically to enhance transparency and meet stakeholder requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Scores and achievements in:               <ul style="list-style-type: none"> <li>• CDP</li> <li>• DJSI assessment</li> <li>• ESG ratings</li> </ul> </li> </ul>
Risk management	<ul style="list-style-type: none"> <li>• Enterprise risk management committee</li> <li>• Standardised ERM process to identify and assess the risk on regular basis</li> </ul>	<ul style="list-style-type: none"> <li>• Number of Risk management committee meetings.</li> <li>• Number of sites covered with the ERM process</li> </ul>

## Impact on external stakeholders

Material issue for external stakeholders	Cause of the impact	Impact area(s) / external stakeholder(s)	Type of impact	Quantitative impact
Human Rights	Operations	Social (Community, employees, suppliers, and customers)	<ul style="list-style-type: none"> <li>• Positive impact</li> <li>• By upholding human rights APSEZ promotes inclusive environments that foster respect and cooperation, ultimately leading to peace and development in the community, well-being of the employees and satisfaction of the suppliers and customers</li> </ul>	Output metrics Reduction in injury rate of workers by 12%. Improved customer satisfaction scores (from 4.1 to 4.3 out of 5) Improved supplier satisfaction scores (from 4.1 to 4.25 out of 5) Impact Metric Employee (60%) & supplier (19%) awareness on human rights issues Safety SOPs and Company Code of Conducts Gender and social diversity of new hires increased by 1% than last year Human rights risk identification and mitigation for all stakeholders

Material issue for external stakeholders	Cause of the impact	Impact area(s) / external stakeholder(s)	Type of impact	Quantitative impact
Biodiversity	Operations	Environment (Community)	<p>Positive Impact</p> <p>Biodiversity provides ecosystem stability, supports food security, holds economic value, regulates climate, has cultural and aesthetic significance, and provides ecological services such as water purification and soil fertility. Preserving biodiversity is crucial for these benefits and overall well-being.</p>	<p><b>Output Metrics</b></p> <p>Increase in mangrove afforestation (23%) and terrestrial plantation (10%)</p> <p>Improved native species diversity and abundance in conservation areas and operational sites</p> <p><b>Impact Metrics</b></p> <p>Mangrove plantation and conservation, terrestrial plantation, and grassland protection</p> <p>IUCN protocol followed for lighting &amp; dredging to protect endangered species (ridley turtle &amp; dolphins)</p> <p>Regular monitoring of any threat to endangered species and assessment of biodiversity richness at the operational/conservation site</p>
Energy and Emissions Management	Operations	Environment, Social (Community, employees)	<p>Negative Impact</p> <p>Our business can have significant environmental and social impacts, particularly with respect to greenhouse gas emissions, resource utilisation, energy consumption as well as health and well-being of stakeholders. APSEZ identifies and assesses the potential in energy reduction associated with its operations.</p>	<p><b>Output Metrics</b></p> <p>Increase in energy consumption by 7.2%</p> <p><b>Impact Metrics</b></p> <p>14% renewable energy consumption</p> <p>Adoption of Best Available Technology (BAT) for energy efficiency and GHG &amp; non-GHG emissions reduction</p> <p>3.9% reduction in emissions intensity</p>

Material issue for external stakeholders	Cause of the impact	Impact area(s) / external stakeholder(s)	Type of impact	Quantitative impact
Water Management	Operations	- Environment, Social (Community)	<p>Negative Impact</p> <p>Inefficient water management and excessive freshwater consumption can result in water scarcity, ecosystem degradation, and conflicts over access. Unsustainable practices contribute to environmental damage, including pollution and depletion of freshwater sources, threatening human health, agriculture, and the overall well-being of ecosystems.</p> <p>At APSEZ, effective water and effluent management is deployed to reduce risk of environmental pollution, maintaining compliance with regulations, reducing costs and conserving valuable water resources. Proper water and effluent management are critical for long-term success and viability of our operations</p>	<p><b>Output metrics</b></p> <p>38% increase in freshwater consumption</p> <p><b>Impact Metric:</b></p> <p>Recycling of 85% wastewater generated            4% reduction in water intensity</p>
Waste Management	Operations	- Environment, Social (Community)	<p>Positive Impact</p> <p>Waste from ships (used oil, solid waste etc.) and waste generated by port-related activities. We focus our stewardship efforts on recycling as much waste as possible at the source. A 5R approach has been implemented to demonstrate our commitment to sustainable waste management.</p>	<p><b>Output metrics</b></p> <p>52% waste recycled, 20% being reused, 13 % reprocessed, and 7% recovered.</p> <p>Zero waste to landfill at six sites</p> <p><b>Impact Metrics</b></p> <p>All our sites have successfully eliminated the use of single-use plastics</p>

Excellence driver

# Building a better tomorrow through prudent financial management

## Overview

At APSEZ, effective financial resource management is critical for scale and expansion, assuring the continuous availability of funds towards debt servicing and long-term growth capital needs.

APSEZ has showcased its ability to construct assets from the ground up and expand them to global scale, while protecting liquidity and profitability through structured capital management and an optimised capital structure.

APSEZ enjoys access to a range of investors (domestic and international), validating a well-rounded capability to fund growth through diverse capital sources (internal accruals, equity issuances, variety debt products).

## Consistent and sustainable free cash

## flow generation

APSEZ has maintained a consistent track record in generating substantial free annual cash flow. This strong cash flow position has empowered APSEZ to reinvest its free cash into strategic plans aimed at transforming the Company into a transport utility. APSEZ stands out among global port companies for achieving an EBITDA margin consistently exceeding 60%. This remarkable margin underscores its ability to consistently generate free cash flows, available for reinvestment in growth opportunities. Over the past few years, APSEZ has relied significantly on free cash flows generated to fund its expansion programmes, moderating the role of debt or external fundraising.

## Capital allocation discipline

APSEZ maintains capital

allocation discipline through two key measures: ensuring that capital deployed generates a minimum pre-tax Internal Rate of Return (IRR) of 16% at the portfolio level and managing net debt to EBITDA within the guided range of 3x to 3.5x. These practices empower the Company to effectively allocate capital, balancing profitability and financial leverage while adapting to evolving circumstances. The Capex plans of the Company are flexible and modular; they are reviewed in line with the external environment or internal needs.

## RoCE-enhancing initiatives

APSEZ is dedicated to strengthening Return on Capital Employed (RoCE) through initiatives aimed at improving asset productivity across the value chain. Through the

implementation of cutting-edge technologies and advanced analytics, APSEZ strives to optimise operations at every level. These initiatives ensure efficient utilisation of assets and resources, leading to increased productivity and ultimately higher RoCE. APSEZ's commitment to leveraging the latest technologies and analytics underscores its proactive approach to continuously improve performance and value.

### Strategic partnerships

The Company maintains a consistent strategy of partnering strategic players and leading global companies to foster value creation and unlock opportunities. These partnerships mitigate market risks while facilitating growth without affecting the Company's credit rating. Some prominent joint ventures comprise partnerships with MSC in AICTPL, collaboration with CMA CGM in ACMA, alliance with TotalEnergies in DLNG, joint venture with Petronet LNG in Dahej, partnership with JKH in CWIT and partnership with Gadot Group in Haifa Port Company.

### Resource mix

APSEZ has demonstrated its ability to mobilise growth resources through a mix of debt, equity and internal accruals. This approach has been instrumental in supporting the Company's growth and strategic initiatives.

One notable success of capital mobilisation was when the Company secured ₹800 crore from Warburg Pincus in April 2021 with a nominal equity dilution of 0.49%. This demonstrates APSEZ's capability to attract investment while protecting shareholder interests.

In addition to raising equity, APSEZ pursued strategic acquisitions. The Company acquired the remaining 58.1% equity stake in Gangavaram Port

Limited through an equity share swap. This allowed APSEZ to enhance its market presence and leverage operational synergies.

APSEZ has consistently maintained its Net Debt/EBITDA ratio within a target range of 3.0-3.5x. This prudent financial management empowers the Company to access capital markets and mobilise additional debt when needed to address growth needs. By adhering to the target range, APSEZ has demonstrated its commitment to a healthy Balance Sheet and sustainable financial position.

Overall, APSEZ's successful track record in raising capital through a balanced mix of debt, equity, and accruals, combined with strategic acquisitions and prudent financial management, positions it attractively for growth and value creation.

### Revenue broad basing

APSEZ expanded its presence on India's east coast, increasing regional port capacity. It enhanced the share of east coast operating port capacity from 7% of its total port capacity in FY 2014-15 to 40% in FY 2022-23, broadbasing its geographic footprint.

To broaden revenue streams further, APSEZ has transformed from a port company into a comprehensive transport utility. This evolution has been facilitated by the addition of new verticals such as logistics and warehousing. By complementing these segments into its core portfolio, APSEZ aims to provide integrated transport solutions that extend from the port gate to the customer's gate. This strategic shift empowers APSEZ to capture a larger share of the customer's business by offering a comprehensive service bouquet.

APSEZ's east coast expansion and integration of transport-centric segments position the

Company to offer holistic end-to-end solutions. By diversifying operations and expanding service offerings, APSEZ aims to deepen its competitive advantage and strengthen its market position.

### Liquidity management

APSEZ emphasises financial prudence and adequate liquidity to address unforeseen circumstances or capitalise on opportunities. In doing so, the Company ensures that it is always prepared to build a better tomorrow. This approach acts as a safeguard, enabling APSEZ to withstand market disruptions triggered by external events like the pandemic.

The availability of adequate liquid funds represents a key component of APSEZ's Capital Management Programme. This serves as the foundation for the Company's financial stability and resilience. By nursing readily available resources, APSEZ is empowered to respond rapidly to evolving market conditions, pursuing strategic investments, and navigating uncertainties.

APSEZ's commitment to financial prudence and its focus on maintaining ample liquid funds reinforces its ability to seize opportunities, mitigate risks and reinforce long-term sustainability.

### Capital Management Policy

APSEZ reconciles fiscal discipline with growth. As a part of this commitment, the Company strives to keep key credit ratios like Net Debt/EBITDA within the targeted 3.0 to 3.5x range. This focus ensures that in the pursuit of growth APSEZ does not compromise its debt capital market access.

In recent years, APSEZ consistently demonstrated its ability to meet capital requirements without straining its Balance Sheet. This is evident

from the improvement in the Company's Net Debt/EBITDA ratio of 4.4 times in FY 2015-16 and 3.1 times in FY 2022-23. These figures highlight APSEZ's prudent financial management, reflected in the ability to grow while maintaining sustainable debt.

By maintaining a targeted credit ratio range, APSEZ not only safeguards its financial stability but ensures that it can pursue growth opportunities whenever they arise. This has helped balance expansion and prudence, empowering it for long-term success.

### Long-term resources

To ensure sustainable growth, APSEZ focuses on extending its average debt maturity tenures. A notable example of this strategy was when in July 2021, APSEZ issued US Dollar bonds worth US\$ 750 million with maturities of 20 years and 10.5 years. This achievement marked a milestone, making APSEZ the first Indian infrastructure company to secure 20-year funds from the international markets, underscoring the strength of its business model.

By proactively extending average debt maturity tenures, APSEZ has enhanced access to long-term growth resources. This approach enables the Company to secure funding for its expansion and capital requirements across extended timeframes. As a result, APSEZ has strengthened its financial position and mitigated potential risks associated with short-term debt obligations.

The commitment to extend average debt maturities is reflected in APSEZ's financial performance. This progression demonstrates APSEZ's efforts to secure favorable and sustainable debt structures, strengthening its foundation.

APSEZ's focus on extending average debt maturities highlights its proactive approach to financial

management and its ability to tap international markets for long-term funding. By securing longer-term resources, APSEZ has strengthened its financial position and platform.

### Credit rating

APSEZ stands out as the only Indian port infrastructure company to receive an Investment Grade rating from leading international rating agencies. This distinction places APSEZ's credit profile at par with the sovereign rating of the Government of India. The Investment Grade rating opens the Company's access to the international debt capital markets, widening its investor base.

The investment-grade credit rating enables APSEZ to leverage its dollar-linked revenues by accessing dollar-denominated debt capital. This approach serves as a natural hedge, aligning its cost of debt with global companies of a similar size and rating. Approximately 64% of APSEZ's total long-term debt has been financed through the issuance of offshore US\$ bonds, amounting to around US\$ 3.9 billion. This utilisation of international debt capital markets empowers APSEZ to secure funding at competitive rates.

The Investment Grade rating also facilitates APSEZ's ability to mobilise financing from foreign banks through avenues like external commercial borrowings and trade credits. This access to lower-cost financing options from foreign banks strengthens the Company's financial position.

By leveraging its Investment Grade rating, APSEZ has not only diversified its funding sources but also optimised its debt cost. This approach aligns APSEZ with global standards and positions it to operate on a playing field that is leveled with international peers of a similar size and rating.

APSEZ's Investment Grade rating empowers it to tap into international debt capital markets, secure competitive funding and leverage its credit profile to drive sustainable growth.

### Disciplined capital allocation

APSEZ adheres to a disciplined capital allocation strategy to invest in projects that meet its benchmark requirement of a minimum 16% pre-tax Internal Rate of Return (IRR) on a portfolio level. This standard ensures sustained profitability.

By maintaining this benchmark, APSEZ carefully evaluates and selects investment opportunities, whether greenfield (new ventures) or brownfield (expansion or upgrades of existing facilities). This profitability focus helps APSEZ allocate capital to ventures that demonstrate strong potential for generating attractive returns.

The minimum 16% pre-tax IRR requirement serves as a filter to assess the viability and profitability of projects under consideration. By setting this benchmark, APSEZ aims to maximise the efficiency and effectiveness of its capital allocation, ensuring that investments contribute positively to the Company's financial performance.

Through this disciplined approach, APSEZ prioritises projects expected to deliver sustainable profitability. By prudently evaluating investment opportunities and maintaining a minimum IRR threshold, APSEZ aims to generate attractive returns and long-term value.

### Foreign exchange risk management

APSEZ generates a significant portion of its revenues from port operations, including US dollar-linked revenues. This revenue structure serves as a natural hedge against borrowing in US

dollars, presenting an opportunity for APSEZ to tap into global markets for raising debt capital in dollar terms. Access to global debt capital markets provides APSEZ with dual advantages.

Firstly, it grants APSEZ access to a large pool of capital and a diverse range of investors. By accessing global debt markets, APSEZ is positioned to attract funding from a broader investor base, potentially securing larger capital amounts. This expanded capital access enhances the Company's financial flexibility and provides resources necessary to execute strategic projects.

Secondly, accessing global debt capital markets allows APSEZ to procure low-cost debt without exposing itself to currency fluctuations. By raising debt in US dollars, which is aligned with dollar-linked revenues, APSEZ circumvents risks associated with currency exchange rate fluctuations. This mitigates the potential impact of currency volatility on the cost of debt, ensuring a stability in its financial structure.

By leveraging its US dollar-linked revenues and accessing global debt capital markets, APSEZ optimises its financial position and strengthens its ability to fund future investments. The dual advantages of accessing a diverse investor base and securing low-cost debt contribute to APSEZ's long-term growth and financial stability.

APSEZ's revenue structure, with a significant portion derived from US dollar-linked revenues, provides a natural hedge for borrowing in US dollars. This enables APSEZ to access global debt capital markets, benefiting from a larger capital pool and diverse investors, while simultaneously mitigating currency fluctuation risks. This

strategic approach has enhanced APSEZ's financial position and supported its growth objectives.

### Low-cost debt

APSEZ's Investment Grade rating offers valuable benefits, including access to a broader investor base and a wider range of financing products. This enhanced access enables the Company to negotiate favorable financing terms and optimise debt costs.

The Investment Grade rating provides APSEZ with the credibility and confidence in the eyes of investors. It signals that the Company possesses a robust credit profile and is considered a reliable borrower. As a result, APSEZ can potentially attract a larger pool of investors willing to provide funds at competitive rates.

With access to a wider range of financing products, APSEZ can customise its debt structure to suit specific needs better. This flexibility allows the Company to select financing instruments at terms that align with its long-term financial goals. By optimising its debt structure, APSEZ can achieve favorable interest rates and repayment terms, reducing the overall debt cost.

The Investment Grade rating enhances APSEZ's ability to explore diverse financing options beyond traditional bank loans. It provides the Company with opportunities to tap into capital markets, issue bonds, or secure other forms of financing that may offer more advantageous terms.

### Long-term financing

The Investment Grade rating plays a crucial role in mobilising debt from patient investors, such as sovereign funds and pension funds, over extended time horizons ranging from 10 to 20 years.

By mobilising debt from such investors, APSEZ can secure funding that spans a significant duration, typically in the range of 10 to 20 years. This longer-term financing aligns with the Company's capital-intensive nature and provides resources necessary to support infrastructure development projects.

### Shareholder reward

APSEZ is committed to reward shareholders through its 'Dividend Distribution and Shareholder Return Policy.' The Company aims to provide a stable dividend or capital return of 20 to 25% of its profit after tax. This commitment ensures that shareholders receive a consistent and significant portion of the Company's earnings.

By adhering to this policy, APSEZ prioritises shareholder value and recognises the importance of distributing profits to its investors. The stable dividend or capital return offer shareholders a reliable income source and empower them to participate in the Company's financial success.

After fulfilling its dividend distribution obligation, APSEZ allocates the rest of the funds towards business growth. This strategic approach ensures that the Company can reinvest retained earnings to sustain expansion, pursue opportunities, and enhance long-term shareholder value.

The combination of stable dividend distribution and funds allocation for growth demonstrates APSEZ's commitment to balancing shareholder rewards with strategic investments. By providing a reliable and competitive investment return, APSEZ aims to attract and retain shareholders while catalysing growth and profitability.



# Empowering change: Our ESG approach for a sustainable future

## Overviews

We are committed to being a leader in managing risks and operations while contributing to the social welfare of communities and reconciling business growth with sustainability.

Our ESG strategy is aligned with various national and international standards, frameworks, guidelines and commitments such as TCFD, UNGC principles, NGRBC, GRI standards, IIRC, BRSR, SDGs and IBBI to achieve our objectives. Our ESG principles are implemented throughout the project's lifecycle, from its conception to the end-of-life by material ESG topics across

all business stages. We prioritise setting and implementing targets backed by an appropriate policy framework approved by the Board of Directors and relevant committees. Addressing stakeholder concerns and responding to the voice of various stakeholders, internal as well as external, are important to our ESG approach. We fulfil these through continuous stakeholder consultations and grievance redressal initiatives.

We disclose our ESG performance through our integrated report, dashboards and other publications or forums. To keep disclosures

transparent and accurate, we follow a robust assurance process. APSEZ participates in disclosures like CDP and S&P Global's Corporate Sustainability Assessment.

Finally, we remain committed to becoming carbon-neutral by 2025 and aligning with various commitments linked to a social license to operate, climate change, employee well-being and ecosystem preservation. We believe that sustainable value creation is not just beneficial for the Company but the entire value chain and our ESG strategy reflects this belief.

## ESG Governance

To ensure the oversight of our sustainability agenda and ESG priority areas, we have a well-defined governance structure, from the Board level to strategic business units.

- At the Board level, we have formed the Corporate Responsibility Committee (CRC) for overseeing the implementation of our ESG strategy and ensuring alignment of sustainability standards and climate-related risks and opportunities with our business. The committee also monitors and oversees progress on the sustainability goals, including climate-related goals and targets
- Our cross-functional Sustainability Leadership Committee (SLC), led by the CEO, is responsible for ensuring the operationalisation of sustainability as part of our business strategy.
- At the site level, the departmental heads facilitate the implementation of our sustainability strategy within their respective functions through the Sustainability Steering Committee (SSC).

Our Board is supported by committees like the Corporate Responsibility Committee (CRC), Corporate Social Responsibility Committee (CSRC), stakeholder relationship committee and Risk Management Committee (RMC). The CRC oversees the implementation of our ESG strategy and policies and manages transition risks. ESG priorities are embedded across business areas, corporate and business unit levels, with the ESG team developing the Company's ESG agenda and supporting business functions in driving implementation. Business functions, in turn, are responsible for executing the ESG agenda, tracking and monitoring performance.



 <b>Board oversight</b>	Corporate Responsibility Committee (CRC) Corporate Social Responsibility Committee (CSRC) stakeholder relationship committee (SRC) Risk Management Committee (RMC)	Quarterly meetings
 <b>Management oversight</b>	Sustainability Leadership Committee (SLC) - Corporate Level	Sustainability Steering Committee (SSC) – site level
 <b>Working group</b>	<b>CORPORATE ESG TEAM</b> Develops the Company's ESG Agenda and supports business functions in driving the implementation.	<b>Site ESG team</b> Responsible for the implementation and execution of the ESG agenda, tracking and monitoring performance.
<b>Business functions</b> Responsible for the implementation and execution of ESG agenda, tracking and monitoring performance.		

## Management approach

### Policies and guidelines

APSEZ's policies are approved at the Board level and in line with global standards. They aid in identifying, managing and mitigating ESG risks and impacts, ensuring sustainable business operations.

Name of Policy	Details	Stakeholder Groups	Board committee
Environmental Policy	Environmental & climate objectives and targets	Employees Suppliers Customers Governments	Corporate Responsibility Committee Corporate Social Responsibility Committee
Energy & Emission Policy	Energy and carbon mitigation strategies	Employees Suppliers Customers Governments	Corporate Responsibility Committee Risk Management Committee
Biodiversity Policy	Biodiversity, land use and no net deforestation	Communities Governments Employees Supplier	Corporate Social Responsibility Committee Corporate Responsibility Committee
Water Stewardship Policy	Fresh water footprint, wastewater treatment	Employees Suppliers Governments	Corporate Responsibility Committee
Corporate Social Responsibility Policy	Improve lives through Integrated & Sustainable Development	Communities Governments	Corporate Social Responsibility Committee
Occupational Health & Safety Policy	Safe and healthy workplace; prevent occupational illness	Employees Suppliers Customers	Corporate Responsibility Committee
Human Rights Policy	Prevention of child labour & forced labour, employee workplace harassment and discrimination	Employees Communities Suppliers Customers	Stakeholders' Relationship Committee Corporate Social Responsibility Committee
Related Party Transaction Policy	Approval, disclosure and reporting requirements for related party transactions	Shareholders	Audit Committee
Dividend Distribution & Shareholder Return Policy	Dividend payout	Shareholders Investors	Nomination & Remuneration Committee
Nomination & Remuneration Policy	Qualification and remuneration of directors and senior management	Directors Investors	Stakeholders' Relationship Committee Nomination & Remuneration Committee
Code for Fair disclosure of UPSI	Procedures for fair disclosure of unpublished price sensitive information	Investors	Risk Management Committee

APSEZ has recently updated its policies on Environment, Diversity and Inclusion, Sustainable Procurement, Information Security and Working Hours to align with global best practices. These policy updates demonstrate our commitment to adopting responsible and sustainable practices in key areas.

Our focus on environmental protection is guided by our Company level Environmental Policy, which provides company level commitment related to operations, logistics, management with suppliers and joint ventures. Environmental policy applies to or covers all services, operations & maintenance business facilities, corporate processes, distribution and logistics, management of waste facilities, suppliers, service providers, contractors, joint venture partners, due diligence, mergers and acquisitions.

## Coverage of environmental policy

Type	Total coverage (%)	Examples of certification document
Our EMS is verified through international standard ISO 14001:2015	100	International Organisation for Standardisation certification ISO 14001:2015

In 2018, we developed an Environment Action Plan to guide our Company's efforts in reducing its environmental footprint and driving positive changes within the shipping sector through advocacy and by influencing our value chain partners to be more responsible. As part of our commitment to transparency and accountability, we propose to report annually on our progress in implementing the plan. Given that we expect stringent regulatory actions for any non-compliance, we believe that early action to drive aggressive management of impacts will lead to a more competitive business overall. Integrating a proactive approach to environmental management enables us to improve our operational efficiencies, mitigate risks to our business and impacts to nature, build better relationship with communities and other stakeholders. We have aligned with the highest standards of corporate governance practices with an approach to prevent, engage and continuously improve our emissions management, energy use, water consumption and biodiversity conservation.

### Systems supporting ESG implementation

The integrated management system supports the

implementation of our ESG policies across all units, including joint ventures, partners, customers and suppliers, based on legal requirements and standard operating procedures. All our operating ports and two joint ventures (AICTPL and ACMTPL) are certified with IMS (Quality Management System (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018), Energy Management System (ISO 50001:2018). Three of our ports are ISO 28000:2017-certified (Security Management System for Supply Chain). Our dredging company SSIDL and harbouring company TAHSL are certified with IMS. Three logistics sites (Kishangarh, Patli, Mallur) are certified with IMS, comprising Quality Management System (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018). All our operating agri-logistics sites are certified with Food Safety Management System (ISO 22000:2018).

At APSEZ, we have implemented ISO 27001:2013 to ensure compliance with our information security policy and all business

and department heads are responsible for adhering to it. Around 61% of our operational ports are certified with ISO 27001:2013. We provide regular training on information security to employees and third parties, including sub-contractors, consultants and vendors, to meet audit, legal, statutory, regulatory and contractual requirements. We conduct extensive training programs and use cross-functional teams to continuously share knowledge and best practices.

The Sustainability Information Management System (SIMS) facilitates decentralised data input, enabling designated individuals to regularly evaluate ESG related performance and progress. Both the site and corporate ESG teams oversee this process, providing monthly reports on ESG indicators to senior management. Additionally, they report quarterly to the Board and external stakeholders. SIMS streamlines the monitoring and reporting of sustainability information, ensuring effective communication and transparency throughout the organisation.

At APSEZ, we prioritise regular training to employees, third parties and contractors to ensure compliance with regulatory requirements. We implement

multi-level training programs that involve cross-functional teams to share best practices across the organisation. These training initiatives aim to enhance knowledge, skills and awareness related to regulatory compliance. Furthermore, we believe in motivating our employees through rewards and incentives. As part of our motivation strategy, we offer variable pay components for specific employees, aligning their performance and contributions with their compensation. This approach encourages employees to strive for excellence and actively participate in meeting organisational goals.

### Audit and assurance

We conduct audits to ensure that our sustainable operations comply with applicable laws and regulations. We use Environmental Management System (ISO 14001:2015) and other standards to evaluate our performance. Environmental audits are conducted annually by IR Class and sustainability assurance is conducted half-yearly by EY. Additionally, internal audits are carried out every six months.

Environmental and Social Management System (ESMS) is crucial in today's globalised economy as it allows businesses to integrate environmental and social standards into core operations, anticipate risks and address concerns from stakeholders. We have made environmental and social

management frameworks in accordance with IFC Performance Standards and have developed environment and social management plans aligned to the standard. Suppliers and vendors are regularly monitored and graded on ESG performance, while customers are required to follow berthing guidelines and comply with environmental protection guidelines.

### Incident investigation and correction

APSEZ has implemented a robust system of corrective and preventive actions aligned with our Integrated Management System (IMS), which adheres to ISO-14001:2015, ISO-45001:2018 and ISO-9001:2015 standards across all our facilities.

We have developed various channels for reporting grievances. These include a 24x7 mechanism on our website, dedicated telephone numbers and drop boxes placed in prominent locations. Individuals such as supervisors, seniors and department heads across our sites can be directly contacted to report any grievances. We have developed a system that allows communities to report grievances, which are then recorded, reviewed, escalated and addressed within a specified timeframe. In the pursuit of enhanced transparency, we are implementing an Integrated Grievance Management System that enables aggrieved individuals

to view the status of their grievances, track their resolution and provide feedback.

### Compliance management

APSEZ diligently monitors and ensures adherence to all legal and statutory obligations through Legatrix. If there are any instances of non-compliance, our IT-enabled compliance management system, Legatrix, promptly informs the Compliance Officer. Legatrix serves as a comprehensive resource library for the management, providing a detailed framework. The Compliance Officer regularly reviews it to minimise any potential mishaps.

Regarding environmental compliance, APSEZ consistently submits necessary reports and documentation to relevant regulatory authorities, such as the Ministry of Environment, Forest and Climate Change (MoEF&CC), the Central Pollution Control Board (CPCB), the State Pollution Control Board (SPCB) and the State Coastal Zone Management Authority (SCZMA). This includes a half-yearly compliance report on Environment and Coastal Regulation Zone (CRZ) clearance, as well as an annual Environment Statement (Form V). These submissions are also made available on the Company's website. Furthermore, APSEZ ensures transparency by showcasing copies of all obtained Environment Clearances and six-monthly environment compliance clearance reports on its website.

The Company was not required to pay any environmental compensation in FY 2022-23

	FY 21	FY 22	FY 23
Location	All APSEZ operations	All APSEZ operations	All APSEZ operations
No of non compliances	Nil	Nil	NIL
Monetary fines	Nil	Nil	Nil

## Status of key legal cases

Mundra	
Case detail (Number, parties to the case, filed at and on)	<p>SLP 28788 of 2016</p> <p>Pravinsinh Bhurabhai Chauhan Versus State of Gujarat &amp; Others</p> <p>Petitioner</p> <p>1. Pravinsingh Bhurabha Chauhan</p> <p>Respondent</p> <p>1. State of Gujarat</p> <p>2. APSEZ</p> <p>3. MoEF&amp;CC, New Delhi</p> <p>4. MOC&amp;I, New Delhi</p> <p>5. Collector, Bhuj</p> <p>6. Principal Secretary, Gujarat</p>
Case brief (Matter)	<ul style="list-style-type: none"> <li>Public interest litigation was filed before the Honourable Gujarat High Court by Mr. Pravinsingh Bhurubha Chauhan alleging, presence of sand dunes in the APSEZ project area.</li> <li>APSEZ has submitted its representation that no sand dunes are present in the project area and same was also verified during the site visit carried by the Committee, constituted by the Collector, Kutch on 25.07.2014 and later by Regional Office of MoEF&amp;CC, Bhopal on 25.09.2014.</li> <li>The Honourable High Court of Gujarat had dismissed the PIL filed by the Petitioner, vide their order dated 18.02.2015 stating that, 'There is no need of constituting a new committee to look into the alleged violations as there is already a committee constituted by the ministry and a report by the same committee has also been submitted'.</li> <li>Later a Special Leave Petition was filed in Supreme Court by the Petitioner vide dated 26.10.2015 against the above said order of the Honourable High Court of Gujarat</li> <li>In view of the above, Honourable Supreme Court vide their order dated 23.08.2017, had requested the earlier formed Sunita Narayan Committee to relook into this matter and submit their report.</li> <li>The Committee had visited the site on 3.01.2018 and 4.01.2018 and has submitted their detailed report to the Honourable Supreme Court.</li> <li>Further, based on the findings of the report, the subject land is not classified as sand dune and therefore allegations are not correct.</li> </ul>
Last status	Case heard on 14.09.2018
Current status as on 31st March 2023	Matter pending at Honourable Supreme Court
Action taken/proposed	<ul style="list-style-type: none"> <li>As a part of their submission to the Committee, APSEZ has submitted authenticated maps and report available for this area proving that there are no sand dunes, in the area.</li> <li>The Committee visited Mundra on 3rd and 4th January, 2018 and the core issues to be examined by the Committee were (i) whether sand dunes are allotted in the forest land and whether APSEZL has destroyed/ disturbed them and (ii) whether measurement of land was wrongly done. The Sunita Narain committee filed its report in The Honourable Supreme Court on 14.09.2021.</li> <li>The Committee heard representations from both the parties and concluded that the term 'Dhuva' is not synonymous with shifting sand dune. The Committee concluded that there is no incontrovertible evidence that Mor Dhuva was a sand dune, and it cannot be said that M/s. APSEZL violated any conditions of the Environmental Clearance. With regards to the issue of measurement of land, the Committee stated that there was no credible evidence to show that Mor Dhuva was not part of the allotment to APSEZ, and all measurements were done appropriately.</li> </ul>

## Status of key legal cases

Mundra	
Case detail (Number, parties to the case, filed at and on)	Kheti Vikas Seva Trust Versus Union of India & Others CA 9124 of 2011
Case brief (Matter)	<ul style="list-style-type: none"> <li>The writ petition has been dismissed by the Honourable Gujarat High Court on 17.04.2015.</li> <li>The Honourable Supreme Court of India on 18.03.2016 dismissed the appeal against the said order dated 17.04.2015 of the Honourable Gujarat High Court.</li> <li>However, an application filed by the petitioner alleging non-compliance of an order of the Gujarat High dated 12.07.2011, prohibiting the cutting of mangroves and other forests during the pendency of the petition without permission of the State Forest and Environment Department in relation to the writ petition is still pending</li> </ul>
Last status as on 31st March 2023	The matter was listed on 10.03.2022. The next date is awaited
Current status as on 31st March 2023	Matter pending at High Court
Action taken/proposed	<ul style="list-style-type: none"> <li>The committee of Mr. Claude Alvaris, Mr. Subrata Maity and the Deputy Conservator of Forest, Kachchh was appointed, and the committee submitted its report on 07.06.2016.</li> <li>The committee suggested various measures like re-planting of mangroves in the 5333 ha area, GCZMA to re-examine the entire proposal of APSEZL in line with CRZ notification, measures to safeguard Bocha Island and annual uploading of satellite images by APSEZL.</li> <li>APSEZL has challenged the recommendations of the committee stating that it has exceeded its terms of reference and APSEZL has already done mangrove reforestation and follows the Environment Clearance(EC) dated 18.9.2015, the Sunita Narain Committee recommendations have already been captured in the EC conditions and the Company complies of the same.</li> </ul>

Goa	
Case detail (Number, parties to the case, filed at and on)	<p>Mr. Sherwyn Filipe Francisco Correia &amp; five Others Versus Goa State Pollution Control Board &amp; Others PIL WP No. 24/2018</p> <p>Petitioner</p> <p>1. Sherwyn Filipe Francisco Correia and five Others</p> <p>Respondent:</p> <p>1. Goa State Pollution Control Board 2. Mormugao Port Trust 3. South West Port Limited 4. Adani Mormugao Port Terminal Private Limited 5. Vedanta Limited 6. Town and Country Planning Department through its Chief Town Planner 7. Ministry of Environment Forests and Climate Change Through its Secretary 8. Mormugao Municipal Council through its Chief Officer</p>
Case brief (Matter)	<ul style="list-style-type: none"> <li>The PIL is filed before the Honourable High Court of Bombay at Goa alleging severe pollution in Vasco city due to coal handling activity at Mormugao Port. Such pollution causes health problems to citizens of the Vasco city residing 500 metres of terminal. As per law, coal operations are not permissible within 500 metres of human settlement. It is also alleged that the port has also failed to monitor the prescribed pollution standards. As the authorities failed to control the pollution, the Petitioners have asked for closure of coal handling operations at Mormugao Port.</li> </ul>

**Goa**

Last status as on 31st March 2023	The matter was listed on 24.07.2018. The next date of hearing is awaited.
Current status as on 31st March 2023	Matter is pending before High Court of Bombay at Goa
Action taken/proposed	AMPTPL and others have filed their reply and court had ordered GSPCB to obtain report from IIT on the effect of pollution due to coal. IIT is yet submit its final report. The case is pending hearing for final disposition. Next date of hearing is awaited.

**Dahej**

Case detail (Number, parties to the case, filed at and on)	Conservation Action Trust vs. Union of India(Uoi)& Others Appeal No. 74 of 2016 Petitioner: The Conservation Action Trust through Executive Trustee Mr. Debi Goenka Respondents: 1. Gujarat Coastal Zone Management Authority through the Member Secretary 2. The Union of India through the Secretary, Ministry of Environment 3. Forests and Climate Change Government of Gujarat through the Secretary Department of Forest and Environment Gujarat Pollution Control Board by its Member Secretary 4. M/S. Adani Petronet (Dahej) Port Private Limited Principal Chief Conservator of Forest and Head of the Forest Force (HOFF)
Case brief (Matter)	• Appeal against the EC and CRZ clearance dated 14.10. 2016. EC and CRZ clearance was granted to APPPL by MoEF &CC for expansion of APPPL (referred to as Impugned EC) . This EC is with respect to the phase III of the Dahej Port for which the proposal has been submitted by the Respondent Company .The expansion involves reclamation of an area of 23 hectares for supporting infrastructure and expansion of the cargo handling facility.
Last status as on 31st March 2023	The matter was last listed on 18.07.2022. Next date of hearing is awaited.
Current status as on 31st March 2023	Matter is pending before National Green Tribunal, Pune
Action taken/proposed	Adani had filed its detailed reply refuting all allegation made in the appeal.

<b>Gangavaram</b>	
<b>Case detail (Number, parties to the case, filed at and on)</b>	<p>Adani Gangavaram Port Limited (AGPL): Lakshmana Guntreddi (Applicant) Versus State of Andhra Pradesh &amp; Others. (Respondents)</p> <p>Application is registered based on a letter petition received by email. Original Application No. 571/2022</p> <ol style="list-style-type: none"> <li>1. Respondent No.1: State of Andhra Pradesh</li> <li>2. Respondent No.2: The Secretary, Ministry of Environment, Forest and Climate Change, Government of India</li> <li>3. Respondent No.3: The Secretary, Ministry of Ports, Shipping and Waterways, Government of India</li> <li>4. Respondent No.4: District Magistrate, Visakhapatnam</li> <li>5. Respondent No/5: M/s. Visakhapatnam Port Trust (Project Proponent)</li> <li>6. Respondent No.6: M/s. Gangavaram Port Limited. (Project proponent)</li> </ol>
<b>Case brief (Matter)</b>	<ul style="list-style-type: none"> <li>• Sri. Lakshmana Guntreddi, Visakhapatnam filed an application before Honourable National Green Tribunal complaining that residents of Visakhapatnam are suffering from air and water pollution due to improper transportation of materials by M/s. Visakhapatnam Port Trust and M/s. Gangavaram Port Limited.</li> <li>• The Honourable National Green Tribunal took cognizance of the complaint and heard the matter and issued order on 07.09.2022; and constituted a joint committee to undertake visits to the sites, investigate the grievances of the applicant, associate the applicant and representative of the concerned project proponents and verify the factual position.</li> <li>• The Joint committee visited your site and submitted a report to the Hon`ble National Green Tribunal on 13.12.2022; and the same is communicated to you.</li> <li>• The Honourable National Green Tribunal issued order on 19.12.2022 in O.A No. 571 of 2022 and the operative part of the order</li> <li>• APPCB was served a Show Cause Notice dated 10.02.2023 based on observations and recommendations of the Joint Committee constituted by Honourable National Green Tribunal.</li> </ul>
<b>Last status as on 31st March 2023</b>	The matter was considered for hearing on 29.03.2023
<b>Obligation (if any)</b>	The matter was not heard on 29.03.2023 and is next listed on 13.07.2023
<b>Action taken/proposed</b>	<ul style="list-style-type: none"> <li>• AGPL had submitted the compliance and action taken report on observations and recommendations vide letter dated 23.02.2023, on against APPCB served Show Cause Notice on 10.02.2023.</li> <li>AGPL submitted an affidavit in reply on behalf of answering Respondent no. 6, Gangavaram Port Limited at Honourable Tribunal on 17.03.2023</li> </ul>

## ESG targets and performance

APSEZ has set ESG goals and targets to achieve by 2025, including those that will help the Company reach carbon neutrality. Our reporting boundary covers ports, logistics, dredging and other businesses. The Company strives for continuous improvement in its ESG performance and regularly reviews its ESG strategies, targets and initiatives to ensure they remain relevant and effective.

Environmental			
			
Indicator	FY 23 target	Actual achievement by FY 23	2025 target
Renewable share in total electricity	14%	14%	100%
Energy intensity reduction	45%	46%	50%
Water consumption intensity reduction	58%	60%	60%
Water withdrawal from non-shared resources	50%	50%	80%
Waste intensity reduction	30%	35%	30%
Zero waste to landfill certification	6	6	12 ports
Mangrove afforestation	3800	3990	5000 Ha
Terrestrial plantation	1100	1183	1200 Ha

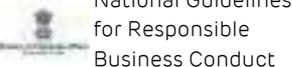
  

Social			
			
Indicator	FY 23 target	Actual Achievement against FY 23 target	2025 Target
Voluntary attrition	8%	10%	< 4%
Employee satisfaction	4.2	4.11	4.5/5
Average employee training (days)	4	3.75	5days
Supplier satisfaction	4.25	4.25	4.75/5
Customer satisfaction	4.25	4.3	4.75/5
Safety (fatalities)	0	2	Zero Incidents
Community based skill development programme (no. of beneficiaries)	100000	122510	100000 enrolments
Women's self-help group (no. of groups formed)	265	338	265

Governance		Contribution to UN SDGs:
		
Indicator	FY 23 target	Achievement against FY 23 target
New policy/ Strengthening existing policies		<ul style="list-style-type: none"> <li>• New Biodiversity policy approved by Board.</li> <li>• Strengthening of existing policies : Human Rights Guidelines, OHS Policy, Anti-Bribery &amp; Anti-Corruption Guidelines, Cybersecurity Policy, Diversity &amp; Inclusion Guidelines, Board Diversity Policy, Environment Policy and sustainable procurement policy.</li> </ul>

**Our guiding focus.**

	<ul style="list-style-type: none"> <li>• APSEZ participated in CDP annual disclosures for climate change and water security.</li> <li>• In CDP Disclosure 2022, APSEZ Scored 'B' for Climate Change and 'B' for Water Security. APSEZ also received 'A-' in the Supplier Engagement Rating.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is participating in DJSI Corporate Sustainability Assessment.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is committed to Science Based Targets initiative – Business ambition for 1.5 degree Celsius.</li> <li>• APSEZ is in the process of setting a target and submitting it for validation.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ aligned its ESG activities with the United Nations Sustainable Development Goals (SDGs).</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ signed up for Indian Business &amp; Biodiversity Initiative.</li> <li>• APSEZ submitted its first progress report in 2020.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is a member of the Climate Ambition Alliance, committed to net zero emissions by 2040.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is a supporter of the Task Force on Climate Related Financial Disclosures.</li> <li>• The Integrated Annual Report FY 2022-23 is aligned to TCFD recommendations.</li> <li>• APSEZ will publish its TCFD report in H1 FY 2023-24</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is a member of International Union for Biodiversity Conservation. (IUCN LfN India)</li> <li>• APSEZ is enhancing awareness among employees across its sites through IUCN - Leaders for Nature.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is a member of United Nations Global Compact and committed to conduct all the activities in alignment with the 10 Guiding Principles.</li> <li>• APSEZ submitted its communication on progress in FY 2022-23</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is endorsing the United Nations CEO Water Mandate.</li> <li>• APSEZ submitted its Communication on Progress</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ developed the Environmental and Social Management Systems in alignment with IFC's eight performance standards.</li> <li>• APSEZ developed site-specific management plans which are under implementation across the sites.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ aligns its ESG reporting framework with GRI standards.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ publishes its annual disclosure as per the IIRC framework.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ submits the Business Responsibility &amp; Sustainability Report (BRSR) as part of Integrated Annual Report.</li> </ul>

# Climate change

## Overview

The rapid progression of climate change is exceeding the expectations of many, and it is widely considered to be the most significant crisis of our era. We set ourselves an ambitious goal to become carbon-neutral by 2025

## Climate strategy

We believe it is our duty to minimise our ecological impact to the greatest extent feasible. To achieve this objective, our climate strategy focuses on three key pillars: Reducing our impact, Building resilience and strengthening the system of our operations to the impacts of climate change and developing

strong frameworks to integrate climate change considerations. Our commitment to reducing our carbon footprint and conserving resources is reflected in our initiatives to conserve water, reduce waste and adopt energy-efficient technologies.

Our business infrastructure heavily relies on the sea, and our Climate Vulnerability Risk Assessment study has identified Mundra, Dhamra, Hazira, and Krishnapatnam as vulnerable to climate change-related risks. The rise in sea levels due to global warming poses a significant threat to our port facilities, resulting in higher indirect costs, extended turnaround times, and decreased operational efficiency. It is

imperative for us to take proactive measures to manage these risks effectively.

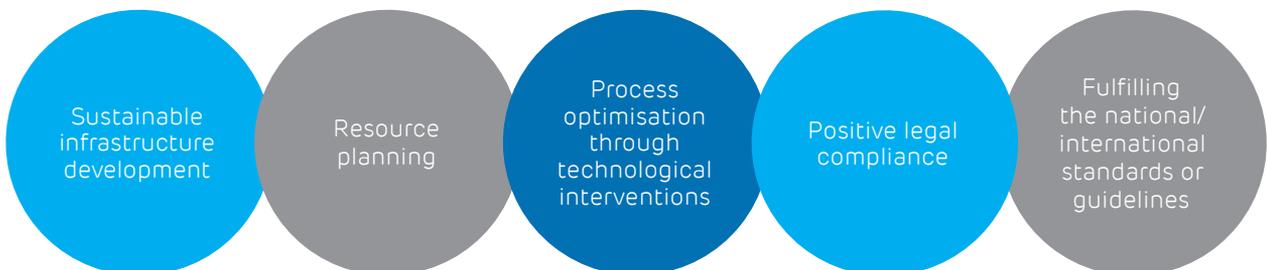
## Five levers

Net-zero by 2040 is an important goal in the context of addressing climate change and our strategic roadmap has five levers that act as stepping stones to achieve it. Each of these levers complement and reinforce each other and a combination of actions under each lever can help to achieve net-zero emissions by 2040. We regularly assess progress, adapt strategies as needed and collaborate with stakeholders at different levels to ensure an effective implementation of the roadmap.

## Three pillars of climate strategy



## Five levers



## Climate governance

The Board, supported by Corporate Responsibility Committee (CRC), Corporate Social Responsibility Committee (CSRC), Stakeholders' relationship committee and Risk Management Committee (RMC), monitors performance, adherence to the standards and risks in the organisation. The Corporate Responsibility Committee (CRC) oversees the implementation of the ESG Strategy and policies, including the management of transition risks and delivery against ESG targets. Management of ESG priorities is embedded across business areas, corporate and business unit level, flowing from the Board. At the corporate level, CRC reviews performance against environmental and social metrics and develops a strategy while the ESG team develops the Company's ESG agenda and supports business functions in driving implementation.

At the executive level, business risk management is the responsibility of the Head of ESG (Chief Risk Officer). The ESG Head reports directly to the CEO to ensure independence from other functions. The Company has instituted a systematic risk management approach which comprises the creation of a Group level Risk Management Team to appraise changes in the external and internal business environments as and when they transpire (real-time) and implement counter measures. The ERM and risk assurance procedure is integrated with the business planning and compliance functions. In recent times, climate-related risks became important to APSEZ's

risk management process. The ESG Head engages with the Risk Management and Audit Committee on all climate change risks and including and updating them in the Company's Enterprise risk management. Chief Executive Officer (CEO) at the business unit level and site-level environmental management team are responsible to identify and respond to climate change risk at the site level along with cross-functional teams. Climate related issues are on the agenda of the board of directors and discussed annually.

## Climate action

Climate change is one of the most pressing challenges our planet is facing today. As global temperatures continue to rise due to human activities such as burning fossil fuels, deforestation and industrial processes, it is essential to take urgent and comprehensive action to address this crisis. The Paris Agreement aimed to limit global warming to well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 degree Celsius. (COP 27) reaffirmed the commitment of countries to the Paris Agreement and emphasised the need for accelerated and collective action to achieve its goals. The conference highlighted the importance of implementing Nationally Determined Contributions (NDCs) - country-specific climate action plans - to reduce greenhouse gas emissions and enhance resilience to climate impacts in the logistics sector and beyond. Stakeholders are increasingly demanding scaled-up action on climate change and given the complex nature

of climate change, concerted efforts by governments, business and individuals are necessary to foster a transition to a sustainable future.

Climate action is a critical component of our sustainability efforts. As an organisation, we recognise that the impacts of climate change pose risks to our business, as well as to the communities and environment in which we operate. We have consistently conducted our business according to our climate strategy ensuring operational sustainability. APSEZ has committed to 'carbon neutrality' by 2025 and net zero thereafter. We have taken a proactive stance in our pursuit of carbon neutrality by committing to set emission reduction targets through the Science-Based Targets initiative (SBTi) for achieving net zero emissions. Our target-setting process is currently underway and once finalised, will be submitted to SBTi for validation. As a leader in climate policies, we are confident in our ability to achieve net zero emissions ahead of the target set under India's Nationally Determined Contributions (NDC).

## Progress towards carbon neutrality.

- Total of 338 electric E ITVs were deployed across various locations during the fiscal year 2023.
- Fleet of nine Tata Nexon EVs was introduced at various sites to facilitate employee travel.
- Formalisation for sourcing 250MW of renewable electricity was completed.
- Electrification process for nine diesel cranes was completed.

## Climate-related management incentives

We recognise the importance of incentivising actions that contribute to mitigating climate change and promoting sustainable practices. Our Company offers a range of

Climate-related management Incentives to encourage our stakeholders, including employees, to actively participate in our climate change initiatives. These incentives can be financial or non-financial and they are designed to reward and recognise

individuals or entities that demonstrate exceptional efforts in reducing greenhouse gas emissions, adopting renewable energy sources, improving energy efficiency and promoting climate resilience.

### Climate-related management incentives

Employees	<p>Madhyam is an on-line reward scheme introduced at Group level in the year 2016. The objective of Madhyam is to provide employees with a channel to share their ideas, suggestions and insights to the Chairman, on strategy, operations, organisation, CSR, financial and technology. Based on the value addition or impact of the idea, it passes through various levels of assessments. Ideas are further categorised into three categories based on the level of impact, financial impact and the impact sphere i.e., Group, business or department level impact. The financial incentive for the idea ranges from ₹5,000 to ₹50,000. Chairman awards the employee if the idea is implemented on ground.</p> <p><b>Activities incentivised:</b> Emission reduction projects, emission reduction strategy, emission reduction targets, energy reduction projects, energy reduction targets, efficiency project company performance against a climate-related sustainability index.</p> <p>Employee Spot recognition scheme is introduced to promote a sense of belongingness and motivation among employees by recognising and rewarding exemplary behaviour/contribution of employees for implementing best practices in energy saving, waste management and following greener commute.</p> <p>Employees Award &amp; Recognition for Technical Projects introduced in 2018 to encourage and motivate technical professionals for plant performance (energy efficiency) enhancement and adoption of advanced technology to achieve business goals through scientific approach towards business suitability and plant reliability.</p>
Business unit managers	<p>Corporate target outlined as ESG targets further cascaded to divisional, departmental levels across the sites (all ports, logistics and agri logistics). Each of these sites has individual targets. Each site and division have a separate tracker and target set for FY 2024-25 at quarter level. Naturally, divisional owners - usually CEOs and Head of the section at corporate level - have such targets in their dashboards. Similarly, each department has a cascaded target (for example, engineering service, horticulture, marine operation). Heads of department such a target. Achievement of target is captured in performance evaluation and outcome is linked with variable pay.</p>
CEO	<p>For the CEO, the variable pay is linked to the following financial and ESG indicators - Revenue, EBIDTA, ROCE, health and safety, energy intensity, GHG intensity, water intensity, zero waste to landfill (ZWL) and mangrove afforestation area. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/ payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), to its Executive Directors within the limits prescribed under the Act is approved by the Board of Directors and by the shareholders in the General Meeting.</p>
Others	<p>30% of the compensation is linked to ESG performance and organisation performance.</p>

## Climate risk assessment

We recognise the potential impacts of climate change on our operations, including rising sea levels, changing weather patterns and extreme weather events. Through comprehensive climate risk assessment, we systematically identify, evaluate and mitigate potential risks associated with climate change to ensure the resilience of our operations and infrastructure. APSEZ conducts climate risk assessments to identify material physical and transition climate-related financial risks and potential business impacts and identifies, assesses and manages short-term, medium-term and long-term risks – including climate-related risks – on an ongoing basis.

To manage and report on climate-related risks, we rely on the guidance of the Task Force on Climate-related Financial Disclosures (TCFD), which provides a framework for categorising and addressing such risks. By following the TCFD recommendations, we can better understand and manage the potential financial impact of climate-related risks on our business and develop appropriate strategies to address them.

In alignment with our climate risk process, we have undertaken qualitative and quantitative climate change scenario analysis to explore climate vulnerabilities and enhance our resilience to climate-related risks. Climate change scenario analysis is a

crucial approach used to assess and understand the potential impacts of climate change on various aspects, such as ecosystems, economies and societies. By considering different climate change scenarios, APSEZ tries to understand and capture a wide range of possibilities and encompass different levels of risk, uncertainty and volatility. Our aim is to make certain that our assets and operations are equipped and capable of managing climate-related risks effectively and taking advantage of opportunities that arise as a result. We have conducted climate-related scenario analysis this year on two scenarios 2°C or below 2°C and Above 2°C.



## Types of risks

### Physical risks

- Acute (extreme weather events)
- Chronic (changing weather patterns and rising mean temperature and sea level)

### Transition risks

- Policy and legal
- Technology
- Market
- Reputation

### Climate change risk mitigation

We have set our Carbon Neutrality Roadmap to achieve net zero carbon emissions by 2025.

Our emission mitigation plan is to:

- Reduce energy intensity by 50% in 2025 from the level in 2016,
- Achieve fuel-switch through electrification of equipment such as RTGs, MHCs, ITVs and locomotives,
- Source entire electricity from renewable sources and offset the remaining emissions.

Based on our forecast, we expect to achieve 69% emissions reduction from the sourcing of renewable electricity, 3% from the electrification of equipment and 28% from carbon offsets.

A Climate Change Vulnerability Risk Assessment has been conducted for the infrastructure related to port operations, following guidelines suggested by the Intergovernmental Panel on Climate Change (IPCC) and best practices for climate risk analysis. Subsequently, a qualitative evaluation has been carried out for the four most vulnerable ports, outlining the implementation time frame and expected cost implications of adaptive measures. So far, the Climate Risk Vulnerability Assessment has been completed for 14 ports to determine their exposure and sensitivity to the changing climate.

### Managing climate-related risks

APSEZ leadership team, board and relevant committees provide regular oversight of the groups principal risks and uncertainties annually. APSEZ internal controls include policies, processes, management systems, organisational structures and standards to manage our businesses and associated risks. The group's operational risk committee provides oversight of operational risk management for the group including risks related to climate change and sustainability.

### Internal carbon pricing

Internal carbon pricing helps our organisation reduce GHG emissions, navigate and mitigate the potential financial impacts of existing and anticipated GHG regulations, drive low carbon investments and energy efficiency within the organisation. At APSEZ, prior to project implementation, we conduct a thorough evaluation of greenhouse gas (GHG) projects from a financial perspective. If the projected GHG emissions are high, we prioritise the assessment of better technologies that can help reduce emissions. This approach ensures that our projects not only meets financial objectives but also contributes to environmental sustainability by actively seeking and adopting cleaner and more efficient solutions. We also leverage ICP as a strategic tool to align with stakeholder expectations and catalyse behavioural changes within our operations. APSEZ has implemented an internal carbon pricing mechanism, applying a price of US\$ 20 per metric ton of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) on all Scope 1 and Scope 2 emissions from its operations. The Company sets aside an equivalent cumulative amount for investment in renewable projects and energy efficiency measures. As a result, in the fiscal year 2022-23, APSEZ generated a fund of US\$ 7.6 million through this carbon pricing measure.

### Enabling a low-carbon services

We are committed to contributing towards a low-carbon society. We do this by offering our customers a range of sustainable solutions that can help them reduce their carbon footprint. Our focus is on providing integrated logistics solutions to our customers, with a desire to enhance the sustainability of our Services and strive towards the goal of offering more sustainable transportation options.

In FY 2022-23, we used internal accruals and debt to invest ₹767.4 crore in projects related to electrification of equipment, rail infra, energy efficiency, emission reduction, environment protection, water management, waste treatment and adaptation to climate change. Overall, ₹384 crore was spent on electrification of equipment of which ₹347.7 crore alone was spent to purchase electric ITVs and develop infrastructure for its charging and maintenance. Around ₹331 crore was spent on different rail projects like electrification and upgradation of existing lines and equipment, which helped reduce energy use through modal shift and efficiency improvements. We achieved emissions reduction by shifting ceramics transportation from Morbi to Mundra in Gujarat from road to railway. This will reduce GHG emissions more than 50,000 tonnes by 2025, equivalent to taking 20,000 cars off the road. The spending on electrification of cranes and other equipment was to the tune of ₹19.9 crore and on the conveyer system of ₹16.7 crore in FY 2022-23. We made investments of ₹5.4 crore in various solar power projects and ₹8.6 crore in projects linked to water and wastewater treatment, storm water discharge and water efficiency measures.

### Greenhouse gas emissions

The issue of greenhouse gas (GHG) emissions and their

impact on global warming is a pressing global concern. The recent negotiations at COP27 and the evolving global narrative on climate change indicate that climate commitments, pledges and associated actions will have a profound impact on the agenda for global businesses. Our ability to effectively reduce GHG emissions that contribute to climate change today will play a pivotal role in shaping our future shared prosperity, societal well-being and business growth. Taking decisive action to mitigate GHG emissions is essential for building a sustainable and resilient future for all.

We are implementing energy efficiency measures across operational locations and increasing the proportion of renewable energy (solar, wind power) in the total energy mix. Going forward, we will continue to invest in decarbonising our operations through electrification and renewable energy. This requires us to continue taking the most effective actions, collaborating with partners and being innovative.

To achieve our Carbon Neutral by 2025 objective, we consistently strive to increase energy efficiency at all operations sites through our operation and maintenance excellence and increase the percentage of renewable energy sources (solar and wind power) in the overall energy mix. In accordance with our Energy and Emission Policy, we are constantly developing initiatives, adopting the best available technologies and working on enhancement of process to reduce greenhouse gas emissions. We measure, monitor and review the GHG emissions of the organisation in accordance with our environmental policy at a regular interval. We use the GHG protocol corporate accounting and reporting standard for GHG emission inventory and

operational control as an approach for the consolidation of the GHG emissions. The standard covers the accounting and reporting of seven greenhouse gases covered by the Kyoto Protocol – carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PCFs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).

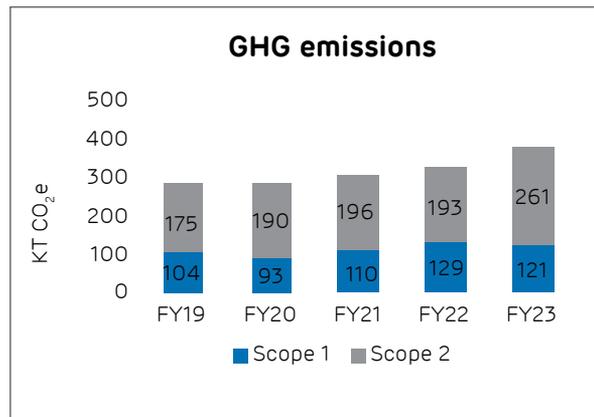
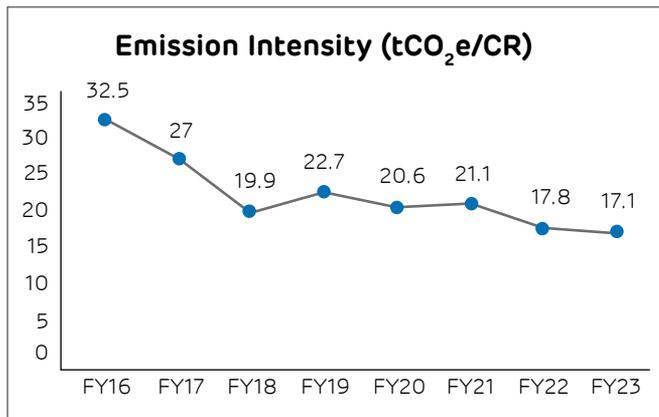
APSEZ has primarily generated emissions through its electricity consumption, which is categorised as Scope 2 emissions. This has guided our approach to carbon mitigation, as we aim to reduce these Scope 2 emissions by integrating renewable energy sources. The overall direct emissions produced by our operations. We have successfully achieved emissions levels well below our targeted amounts for the fiscal year 2022-23. Specifically, our emissions intensity for scope 1 and scope 2 were significantly lower than the previous year. For the fiscal year 2022-23, we have set the following annual targets for Scope 1, Scope 2 and Scope 3 emissions, which are as follows: 128,960 tCO<sub>2</sub>eq for Scope 1, 274,040 tCO<sub>2</sub>eq for Scope 2 and 20,50,000 t CO<sub>2</sub>eq for Scope 3. Though our absolute emissions have increased because of the increase in the volume of our business, the emission intensity per unit of revenue has seen a slight decrease. In FY 2022-23, the share of Scope 1 emissions in the total Scope 1 + 2 emissions was 31.61%, with key sources being emissions from fossil fuels like diesel, natural gas and furnace oil (residual fuel oil) use in the equipment and vehicles owned by us. We constantly strive to reduce our Scope 1 emissions by using alternative fuels, electrification and enhancing the energy efficiency of our operations. In the past, APSEZ has historically generated the largest amount of emissions through its electricity

usage, which is categorised as Scope 2 emissions. While we concentrate on lowering Scope 1 emissions by electrifying our operations and implementing energy-efficient practices, our

main objective is to decrease Scope 2 emissions by increasing the proportion of renewables in our power generation. By doing so, we aim to decrease the overall direct emissions produced by our

operations. This year though, our Scope 2 emission increased by 35% compared to the previous year due to the acquisition of the Gangavaram Port.

**WE ARE COMMITTED TO THE LONG-TERM OBJECTIVE OF DECARBONISING OUR OPERATIONS. OUR PRIMARY FOCUS IS TO DECREASE EMISSIONS FROM OUR OPERATIONS THROUGH THE EFFICIENT UTILISATION OF ENERGY**



	Scope 1 (metric tonnes CO <sub>2</sub> e)	Scope 2 (metric tonnes CO <sub>2</sub> e)	Scope 3 (metric tonnes CO <sub>2</sub> e)
<b>Target FY 2022-23</b>	1,28,960	2,74,040	20,50,000

Ozone-depleting substances (ODS)	Quantity (Kg)
<b>R-22</b>	682
<b>R-407C</b>	88
<b>R-410</b>	264
<b>R-32</b>	52

**Scope 3 - Inventory Group (Category wise)**

APSEZ understands the significance of acknowledging Scope 3 emissions, as they provide insight into the climate risks associated with our upstream and downstream supply chains. We actively monitor and report Scope 3 emissions to strengthen our carbon reduction initiatives. By doing so, we can identify major sources of emissions throughout our value chain, enabling us to enhance our efforts in reducing our overall carbon footprint. For accounting of the GHG emissions against the different categories, we use the primary source details and apply the methods mentioned in the scope standards of GHG Protocol.

Scope 3 Category	FY 22 (tCO <sub>2</sub> e)	FY 23 (tCO <sub>2</sub> e)
Purchased goods and services	Not calculated	4,75,391
Capital goods	Not calculated	8,48,219
Fuel - and energy- related - activities (not included in Scope 1 or 2)	49,492	1,32,022
Upstream transportation and distribution	2,88,191	4,22,719
Waste generated in operations	58	329
Business travel	531	169
Employee commuting	1,801	1,367
Upstream leased assets	Not applicable	Not applicable
Downstream transportation and distribution	69,097	97,653
Processing of sold products	Not applicable	Not applicable
Use of sold products	Not applicable	Not applicable
End of life treatment of sold products	Not applicable	Not applicable
Downstream leased assets	10,236	11,589
Franchises	Not applicable	Not applicable
Investments	52,242	33,614
Other downstream	Not applicable	Not applicable
Other upstream	Not applicable	Not applicable
<b>Total</b>	<b>4,71,648</b>	<b>20,23,072</b>

## GHG emission reduction initiatives

### Case study: Reduction in carbon emissions through the procurement of e-ITVs

#### Objective:

To eliminate diesel consumption in ITVs used and thereby reduce carbon emission (Aligned to UN SDG13)

**Activity:** Procurement of E-ITVs towards Climate Change Mission and Carbon Neutrality

#### Project description

Internal transfer vehicles (ITVs) play a vital role in port operations, specifically for the transfer of container cargo between ships and the yard. However, these ITVs are primarily powered by diesel fuel, resulting in significant greenhouse gas (GHG) emissions. In our efforts to reduce carbon emissions and work towards our

carbon neutral mission, we have taken proactive steps to address this issue.

To mitigate GHG emissions associated with ITVs, we procured 338 electric ITVs across all sites. By switching to electric ITVs, we aim to eliminate carbon emissions from this aspect of our port operations. Moreover, to support the charging

requirements of these electric ITVs, we implemented a solar power system, ensuring that the charging process is powered by clean and renewable energy sources.

#### Outcomes

- 100% reduction in diesel consumption
- Emission saving is around 811 tCO<sub>2</sub>e/ month

## Energy performance

APSEZ Group is dedicated to developing and improving our operational energy conservation capacity, as well as continuously exploring initiatives in the Company's utilisation of renewable energy sources to enhance our ability to minimise environmental impacts. We are committed to enhancing our operational energy conservation capabilities and seeking ways to increase our utilisation of renewable energy sources, as part of our ongoing efforts to reduce our environmental footprint.

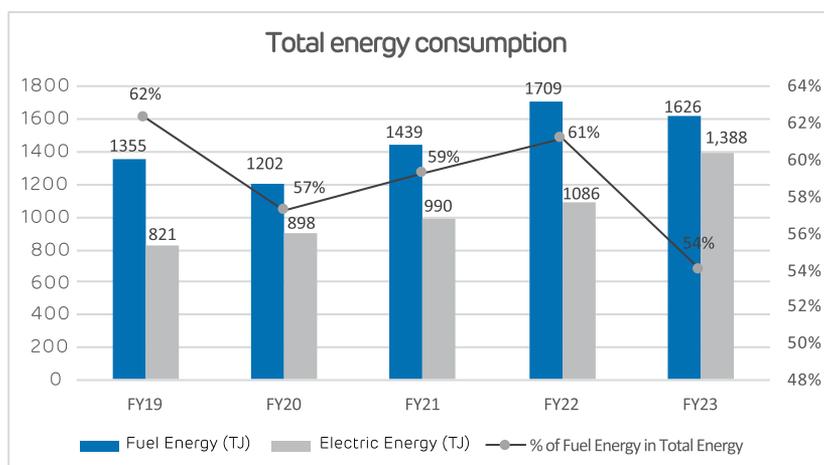
At APSEZ, effective energy management is a crucial aspect

of our climate change agenda. As energy consumption is one of the major contributors to greenhouse gas (GHG) emissions, we recognise the importance of optimising our energy usage. Furthermore, considering that energy costs directly impact our operational expenses, managing energy efficiently is essential in controlling operational costs. We acknowledge the significant role of energy management in mitigating climate change and its impact on both the environment and our operations. The Company actively and efficiently manages the energy consumption, as seen in trends of constant decline in

our energy consumption intensity over the last few years. APSEZ monitors energy consumption KPIs across the sites by using a systematic data collection and analysis of irregularities process in energy consumption.

### Our energy management strategy involves

- Enhancing the energy efficiency of our operations by increasing awareness and implementing monitoring measures
- Adopting new technologies
- Utilising alternative fuels
- Electrification of equipment and machines

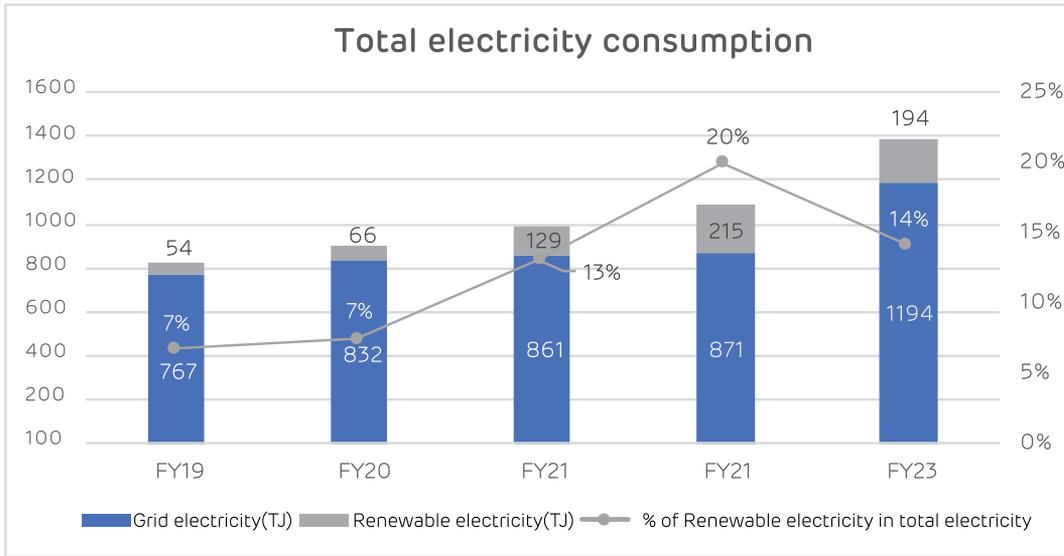


In FY 2022-23 the total energy consumption was 3013.41 TJ, which was 7.12% more than FY 2021-22 this was due to the acquisition of 2 more ports-Gangavaram and Dighi, However, the energy intensity of our operations saw a decline from 0.154 TJ to 0.134 TJ per revenue in crore. As a part of our sustainability goals, we set a target to reach 14% of total electricity consumption from renewable energy sources by 2023. We achieved a commendable 14% of renewable energy consumption in FY 2022-23. We remain committed to our long-term objective of achieving 100% electricity consumption from renewable sources by 2025. This ambitious target reflects our determination to reduce our carbon footprint, promote clean energy practices and contribute to a more sustainable future.

### Materialwise energy consumption (GJ)

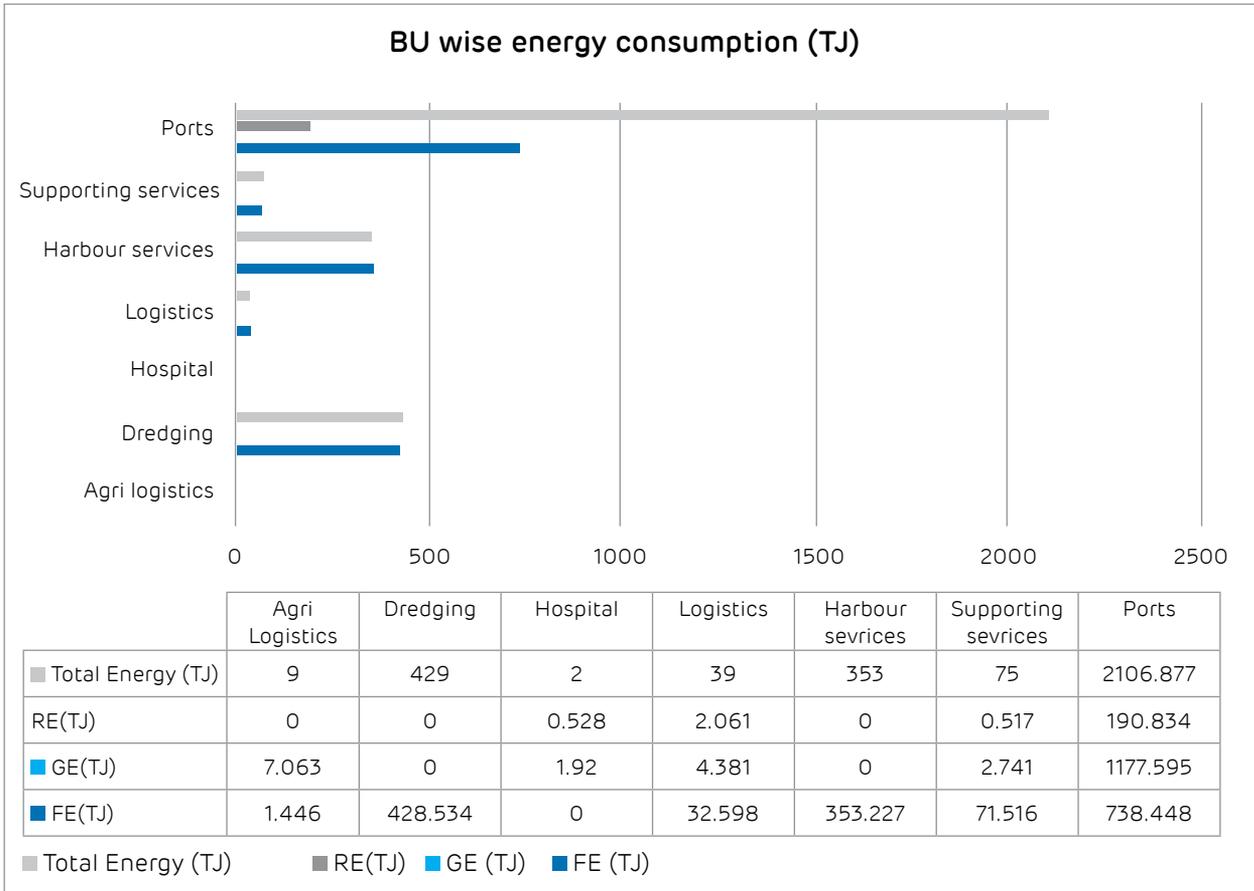
Material	Energy (GJ)
Acetylene	31
Bio diesel	-
Diesel	12,93,436
FO/HFO	2,53,988
Jet kerosene	71,516
LPG contract	3,769
LPG own	1,431
Petrol	931
PNG own	665
<b>Total material energy</b>	<b>16,25,768</b>

**Break-up of electricity consumption (grid + renewable)**



Note: 100% data coverage

Our energy consumption increased marginally by 7.12% in FY 2022-23 due to addition of two sites (Gangavaram port and Dighi port). Although, the overall energy consumption intensity is decreased in FY 2022-23.



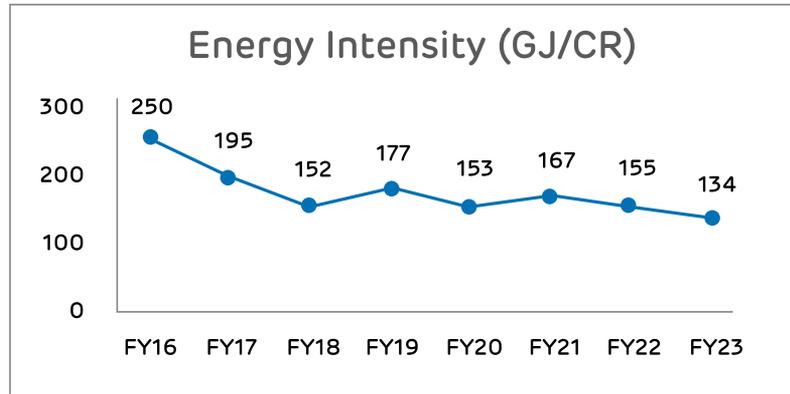
RE stands for Renewable Energy, GE stands for Green Energy, and FE stands for Fuel Energy

## Energy reduction initiatives across value chain

Our ports have implemented a variety of technological and operational measures to enhance energy efficiency. While some of these measures are directly aimed at improving energy efficiency, others focus on improvements that indirectly result in reduced energy consumption within the port area. To enhance operational efficiency and reduce environmental impact, Krishnapatnam Port has undertaken two significant initiatives.

Firstly, the mechanisation of Berth number 6 has been implemented, streamlining port operations and enabling faster and more efficient handling of cargo. This modernisation effort improves overall productivity while minimising manual labour requirements.

Secondly, the port has replaced conventional lights with high-efficiency LED lights on the high mast tower. This transition to LED lighting not only ensures better visibility and safety within the port premises but also significantly reduces energy consumption and carbon emissions.



## Ambient air quality

Apart from greenhouse gas emissions, the combustion of fuel in operations also generates air pollutants like nitrogen oxides (NOx) and sulphur oxides (SOx), which contributes to the environmental impact of the industry. Air pollution, caused by the extensive effects of fuel combustion and associated emissions, has the capacity to significantly affect public health and disrupt the delicate balance of the earth's natural systems. At APSEZ, we are

committed to maintaining and improving our sustainability performance by actively managing air quality as part of our environmental stewardship efforts. Our aim is to minimise the amount of air pollutants produced to the greatest extent achievable. In pursuing this objective, we adhere to applicable legal regulations governing air emissions. This includes implementing robust air quality management measures, monitoring emissions, and identifying opportunities to reduce our environmental



footprint. We acknowledge that communities in proximity to ports can be disproportionately affected by air emissions from port operations, goods movement operations, and other co-located industries. We acknowledge the increasing demand from stakeholders to lower emissions and enhance air quality and proactively engage with stakeholders, including nearby communities, regulatory agencies, and industry partners, to collaborate on initiatives aimed at reducing emissions and improving air quality.

A significant portion of emissions generated at our port facilities can be attributed to combustion-related sources, with equipment, vehicles, and marine vessels that utilise diesel fuel being identified as the primary contributors. These diesel engines emit pollutants, including particulate matter (PM), nitrogen oxides (NOX), carbon monoxide (CO), sulphur oxides (SOX), and air toxics. In addition to emissions resulting

from combustion, dust generated during cargo handling and storage operations may also affect air quality at our dry cargo handling terminals in Krishnapatnam and Kattupalli. We employ a variety of scientific methods to effectively control dust emissions at our dry cargo handling terminals, including the use of dry fog dust suppression systems, water sprinklers, wind screens, modern pollution-tested transport vehicles, closed conveyor belts for cargo handling, and tarpaulins for cargo coverage.

Additionally, we recognise the importance of greenbelt development as a buffer between our ports and local communities to mitigate the impact of air emissions and noise. Guided by our Environmental Policy and in compliance with regulatory requirements, we are committed to reducing non-greenhouse gas (GHG) air emissions through identification, ambient monitoring, and regular reporting to regulatory authorities.

## Time-bound targets: Reduction of non-GHG Emissions

At APSEZ, we implemented an Integrated Management System (IMS) procedure to identify and monitor non-greenhouse gas (GHG) emission sources, both point sources and area sources, across all our ports. Our approach involves rigorous monitoring and measurement practices. To ensure compliance with regulatory approvals from the State Pollution Control Board (SPCB), we conduct stack monitoring for various non-GHG emissions. Parameters such as Sulphur Dioxide (SO<sub>2</sub>), Nitrogen Dioxide (NO<sub>2</sub>), Particulate matter (PM<sub>10</sub> and PM<sub>2.5</sub>), Ozone (O<sub>3</sub>), Lead (Pb), Carbon Monoxide (CO), Ammonia (NH<sub>3</sub>), Benzene (C<sub>6</sub>H<sub>6</sub>), Benzo(a)Pyrene (Ba), Arsenic (As), and Nickel (Ni) are included in our existing environmental monitoring program for both ambient air and stack emissions.

## DG stack emissions

Parameter	UOM	FY 22	FY 23	FY 25 Target
NOx	(Mg/Nm <sup>3</sup> )	95.00	92.04	100.00
SOx	(Mg/Nm <sup>3</sup> )	11.43	7.51	15.00
Particulate Matter (PM)	(Mg/Nm <sup>3</sup> )	20.55	13.51	10.00

## Case study

### **Particulate Matter (PM) emission reduction by retrofitting in diesel generator sets at Adani Ennore Container Terminal Pvt. Ltd.**

#### **Objective**

Reduction in particulate matter emission by retrofitting diesel generators sets in the Kattupalli and Ennore ports (aligned with UN SDG 13)

#### **Project description**

In the port operations, diesel generators were utilised as backup power supply, but they were identified as sources of PM (particulate matter) emissions. To address this concern, the Company took measures to reduce the PM emission levels of these diesel generators. This was achieved by retrofitting them with high-efficiency equipment, resulting in improved emission performance and a reduction in PM emissions. The effectiveness of the emission control devices, such as the Electrostatic Precipitator (ESP), was evaluated following the ISO-8178 D2 5 mode cycle procedure, in accordance with the guidelines

provided by TNPCCB (Tamil Nadu Pollution Control Board) or CPCB (Central Pollution Control Board). The ESP facilitated the charging of PM (particulate matter) with a surface charge, attracting the oppositely charged ESP plates. The accumulated PM was then removed using a proprietary self-cleaning mechanism incorporated within the ESP. This testing and cleaning process ensured efficient removal of PM emissions from the system.

#### **Outcomes**

The retrofitting of equipment in all DG (Diesel Generator) sets resulted in a significant reduction in PM (particulate matter) emission levels. The efficiency of the retrofitting equipment was carefully observed and found to be above 90%, surpassing the TNPCCB (Tamil Nadu Pollution Control Board) requirement of >70%. This high efficiency signifies the effectiveness of the retrofitting measures in minimising PM emissions, aligning with regulatory standards and demonstrating the commitment to environmental sustainability.

## Noise management

Despite not being recognised as one of our primary material concerns due to our operations being predominantly conducted in remote areas, we remain dedicated to identifying and addressing any potential impacts of noise pollution. Our commitment includes identifying and addressing the impacts of noise pollution, reducing noise levels, conducting ambient monitoring and regularly reporting our findings to regulatory authorities. This includes efforts to reduce noise levels, conducting ambient noise monitoring and regularly reporting our findings to regulatory authorities. Our permits for operating rail and road movements also encompass the requirement for regular noise monitoring to ensure compliance with regulations.

Noise pollution due to vessel berthing activities and cargo handling can have significant effects on marine ecosystems. To gain more insight into noise pollution at our ports we carried out noise pollution mapping to understand the intensity of noise levels in each area. Furthermore, we implement various other effective measures to

monitor and control noise levels during our operations. This includes:

- Maintaining closed engine doors on ships during berthing to minimise noise emissions
- Using appropriate equipment and sound insulation techniques
- Conducting regular maintenance of all vehicles and equipment to ensure they operate at their optimal noise levels.

These measures are implemented to mitigate noise pollution and ensure that our activities are conducted in an environmentally responsible and sustainable manner.

As a part of our existing environmental monitoring program, we conduct noise measurement and reporting activities. We strive to maintain noise levels within the prescribed limits in accordance with our permits, licenses and standards. The results of our noise monitoring are available on our Company website, as part of our half-yearly EC (Environmental Compliance) report and we are pleased to report that the results consistently fall well within the prescribed limits. We are committed to ensuring transparency and compliance with noise

regulations as a part of our

environmental stewardship efforts.

### Safeguard measures practiced for the management of noise

The measures taken to ensure safety at various sites were reported in the Company's semi-annual compliance reports, which are available on the Company's website.

- Procurement of machinery / construction equipment was done in accordance with specifications conforming to source noise levels less than 75 dB (A)

- All the machinery and vehicles were maintained to keep the noise at minimum

- Developed greenbelt along the periphery of the operational area.

- D.G. sets have acoustic enclosures

- Maintenance of plant machineries and equipment was conducted on regular frequency

- Noise attenuation was practiced for noisy equipment by employing suitable techniques such as acoustic controls, insulation and vibration dampers

- High noise generating activities such as piling and drilling were scheduled during the day (6 am to 10pm) to minimise noise impact

- Any equipment emitting high noise, wherever possible, was oriented so that the noise was directed away from sensitive receptors

- Personnel engaged in construction activity were provided with appropriate PPE's (Earplugs/muffs)

- Regular ambient noise monitoring was carried as per the environment monitoring plan







## Water stewardship

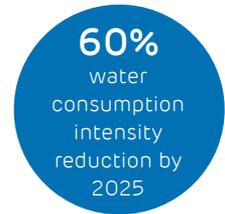
As water scarcity and pollution continue to pose significant challenges to ecosystems and communities worldwide, businesses and organisations must assess and manage their water-related risks. It is no longer viable to consider floods, droughts and rising sea levels as isolated phenomena separate from the broader issue of climate change. The most recent evaluation of the planetary boundary for freshwater reveals that we have already exceeded the safe limit, putting at risk the balance of ecosystems and leading to deforestation and soil degradation due to changing moisture levels. The absence of quality water can lead to an increase in preventable diseases, threatening lives and further deteriorating natural systems — risks that are exacerbated by the impact of climate change. These risks can range from physical risks, such as droughts or floods, to reputational risks associated with poor water management practices. To ensure long-term sustainability, companies need to incorporate water risk assessments into their operations

and supply chains, implementing strategies to mitigate risks and conserve water resources. By addressing water risks, companies can not only safeguard their operations but also contribute to the preservation of the planet's vital water resources.

At APSEZ, water stewardship is a critical component of our sustainability strategy, as we recognise the importance of responsible water management in ensuring the long-term viability of our operations and of the communities in which we operate. At the heart of our approach to effective water stewardship is a focus on continuous monitoring and measurement of key water-related factors such as withdrawal, discharge and reuse. This enables us to periodically review and revise our water management processes and systems, ensuring transparent water governance. We are committed to managing water responsibly and taking measures to avoid any adverse impacts on local and regional water resources, making it a priority for our operations. We have implemented a range of initiatives

to achieve these goals, including the adoption of sustainable water management practices, investing in water-efficient technologies and collaborating with local stakeholders to better understand and address water-related challenges. We have also set ambitious targets for reducing our water consumption and we regularly track and report on our progress towards these goals. Through our water stewardship efforts, we aim to contribute to a more sustainable future for all, where access to clean, safe and abundant water is assured for generations to come.

**Acknowledging our responsibility as environmental custodians in our operational areas, we understand that climate change's growing impact on rainfall intensity and water availability necessitates a more systematic and proactive approach to water stewardship**



## Water strategy

To mitigate water-related risks, we conduct a risk assessment by developing local scenario plans that are tailored to the specific context. Internally, we take action to optimise water use, improve efficiency and minimise water consumption. We partner a variety of stakeholders, including local municipalities and communities, to establish collaborative resource management strategies and address water-related issues collectively.

The Water Stewardship Policy of APSEZ is the driving force behind the Company's commitment to responsible water management. By taking a comprehensive approach, the policy seeks to ensure that the Company's operations are sustainable, durable and effective in the long term. It considers various factors such as water usage, conservation and protection, as well as stakeholder engagement and community involvement, all with the goal of improving efficiency, resilience and long-term viability. This policy reflects APSEZ's dedication to sustainable business practices that not only benefit the Company but also contribute to the well-being of the environment and local communities. Each locality faces unique challenges when it comes to water scarcity and quality. To tackle these issues effectively, we collaborate with local individuals and organisations to gain insights into the specific contexts and address the risks in a manner that protects and preserves valuable water resources. We also endorse and

commit to CEO Water Mandate, it is a UN Global Compact initiative launched in 2007 to encourage business leaders to adopt sustainable water practices. The mandate provides a framework for companies to address water-related challenges in their operations, supply chain and local communities. This initiative is essential, as water scarcity is becoming an increasingly critical global issue and companies must take a leadership role in addressing this challenge.

As a part of this, the Company set the following targets to be achieved by 2025, keeping FY 2016-17 as the baseline:

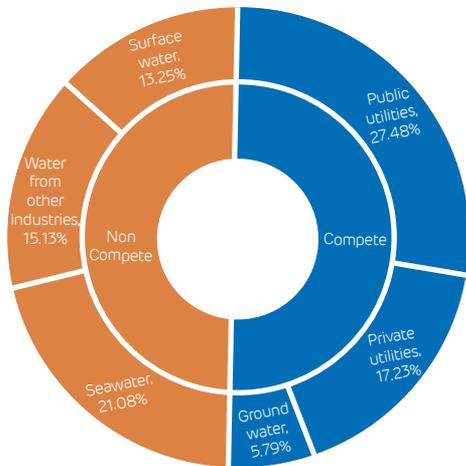
- 60% water consumption intensity reduction
- 83% water withdrawal from non-competing sources
- Alliance for water stewardship certification for 12 ports
- WASH assessment for 12 ports
- <20% freshwater withdrawal share

By adopting responsible water management practices, we can provide our customers with greater value. Additionally, responsible water management can help reduce the challenges associated with shared resources in the local community. We proactively engage within our value chain to increase awareness of the challenges associated with water scarcity among employees, suppliers and customers to enhance their understanding of the issue.

APSEZ has identified water management as a critical area of

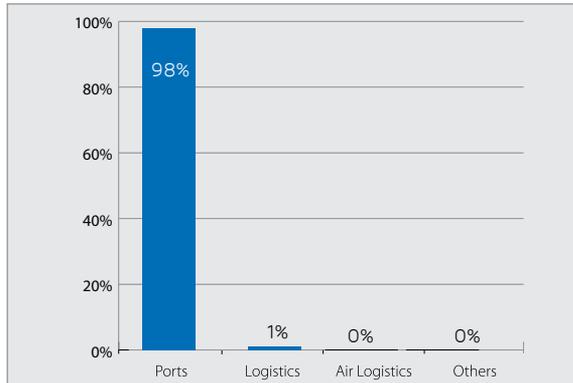
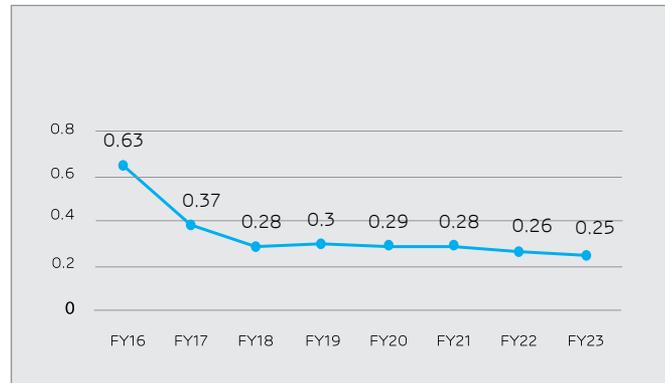
focus to ensure the sustainability of its operations. To achieve this, the Company has developed a comprehensive approach that includes several focus areas.

- Ensure access to safe drinking water and sanitation for vulnerable communities and assist these communities in adapting to the impacts of climate change on water resources.
- Support and encourage local governments, groups and initiatives that aim to advance the water and sanitation agenda.
- Partner with local stakeholders to conduct water-resource education and awareness campaigns.
- Collaborate with public authorities and their agents to promote the development of adequate water infrastructure, including water and sanitation delivery systems.
- Include a description of actions and investments related to The CEO Water Mandate in the communication on progress for the UN Global Compact. Reference relevant performance indicators such as water indicators found in the Global Reporting Initiative (GRI) guidelines.
- Publish and report on the Company's water strategy, including targets, results and areas for improvement, in relevant corporate reports. Use water indicators found in GRI guidelines.
- Improve transparency in dealings with governments and other public authorities on water-related issues.

**Water withdrawal sources****Water performance**

APSEZ regularly conducts evaluations of its operational sites to assess their impact on water resources, as well as to identify potential risks and opportunities. These assessments consider factors such as water availability, quantity and quality, along with any relevant regulatory requirements. All potable water withdrawal comes from third-party water source supplied by municipalities or groundwater. During the fiscal year 2022-23 our net

freshwater consumption increased by 38% as compared to the previous year and the Company was able to bring a 4% reduction in water intensity. The primary reason for increase was due to the addition of 2 new ports-Gangavaram and Dighi. The Company's primary focus has been on enhancing the efficiency of freshwater usage in its operations. Most of the water consumption, amounting to 98%, was attributed to its port operations.

**Business unit wise water consumption (%)****Water consumption intensity (ML/crore)**

Indicator	FY 25 target	FY 23 target	Status FY 23
<b>Water consumption intensity reduction*</b>	60%	58%	60%

\*Base year FY 2015-16

**Water consumption**

Water consumption	Unit	FY 20	FY 21	FY 22	FY 23
A. Withdrawal: Total municipal water supplies (or from other water utilities)	million cubic meters	0.7467	1.1885	2.1743	2.5374
B. Withdrawal: Fresh surface water (lakes, rivers, etc.)	million cubic meters	0.6288	0.3962	0.2214	0.7519
C. Withdrawal: Fresh groundwater	million cubic meters	0.2358	0.2641	0.2214	0.3286
D. Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted (only applies to B and C)	million cubic meters	0.0000	0.0000	0.0000	0.0055
<b>TOTAL net freshwater consumption</b>	<b>million cubic meters</b>	1.6113	1.8488	2.6171	3.6179
Other water		2.3200	2.2500	2.5400	2.6200

## Wastewater management

Wastewater management is an essential component of responsible water management. APSEZ recognises the crucial need for responsible and safe management of wastewater, from its generation to its final disposal. The Company aims to adopt the principles of wastewater reduction and recycling/reuse to decrease the amount that needs to be ultimately disposed. APSEZ is committed to minimising the potential adverse impact of its wastewater management practices on the environment and human health. It is essential to prevent or reduce the generation of wastewater as much as possible. When necessary, wastewater should be recycled or reused, and the systems and processes should be modified accordingly. Any remaining wastewater will be managed in an environmentally responsible manner to minimise its impact on the surrounding ecosystems.

As a part of this commitment, we implemented initiatives such as zero liquid discharge (ZLD) projects to increase the efficiency of our effluent treatment plants (ETPs); we successfully recycled 85% of the total wastewater

generated in the fiscal year 2022-23 and increased the reuse of wastewater by 282 ML compared to the previous year.

APSEZ follows the wastewater management hierarchy principle for sustainable management of water and prioritises source reduction, reuse and recycling, treatment and disposal to ensure that wastewater is managed in a responsible, sustainable and safe manner that fosters environmental protection and sustainable development.

## Water conservation initiatives

APSEZ annually conducts audits of its water management process. We monitor the monthly water consumption of our key business units to identify any sudden increases in water usage. To decrease dependence on freshwater, APSEZ utilises wastewater from various sources for operational activities that do

not require drinkable water. To reduce reliance on freshwater and minimise water usage, APSEZ implements localised water strategies at individual sites. These strategies focus on exploring alternative water sources and investigating the use of treated wastewater obtained from other industries. Additionally, APSEZ installs rainwater harvesting systems at its sites to mitigate the risk of water scarcity.

Recognising that water conservation is a collective responsibility, we actively engage with suppliers and vendors through meetings and quarterly reviews. These interactions aim to promote water conservation practices that align with our overall water management strategy.





## Case study

### Development of infrastructure for managing recycled water from Krishak Bharati Cooperative Limited (KRIBHCO)

#### Objective

To reduce freshwater footprint in a cost-effective manner (aligned with UN SDG12)

#### Project description

Adani Hazira Port Ltd (AHPL) successfully partnered Krishak Bharati Cooperative Limited (KRIBHCO) in a project that involved the utilisation of treated sewage for industrial purposes. Through a Memorandum of Understanding (MoU) between AHPL and KRIBHCO, AHPL committed to purchasing 2000 KL of treated wastewater from KRIBHCO.

This collaboration has proven to be a cost-effective and environmentally friendly solution, significantly reducing AHPL's freshwater consumption and its overall environmental impact. By utilising treated sewage water, AHPL demonstrates its commitment to sustainable practices and responsible resource management.

#### Activity

AHPL has undertaken the development of an 18 km dedicated pipeline, connecting KRIBHCO to facilitate the transportation of recycled water to AHPL.

#### Methodology

KRIBHCO sent treated wastewater to AHPL through a pipeline and charged as per agreement and for a minimum 2000 KL/ daily quantity. If the withdrawal of water exceeded 2000 KL/daily, it was charged extra on a per KL basis at a pre-agreed rate. In FY 2022-23, 496416 KL recycled water was used in industrial applications.

#### Project cost

₹1120 lakh

#### Estimated project benefits

- Reduction in freshwater footprint
- Availability of a good quality of water in a cost-effective manner
- Lower capex and opex with respect to alternate options, i.e., desalination
- Hassle-free operations of pumping and pipe network system for water reception



## Case study

### Water management measures in port operations

#### Objective

- Utilisation of desalinated water from the sea water reverse osmosis plant instead of freshwater for port operations
- Reusing the entire treated water of STPs, ETP and harvested rainwater for greenbelt development and maintenance

#### Activity

Water management measures adopted in port operations to sustainably manage and protect natural resources of fresh water

#### Project description

The water requirements for port operations at AHPL were fully met through two sources: the Chennai Metropolitan Water Supply and Sewage Board and a desalination plant with a capacity of 100 MLD. The port operations did not rely on any freshwater sources such as surface water or bore water. Domestic wastewater from various sources, including canteen washing water and office building toilet flushing water, was treated in sewage treatment plants with a total capacity of 45 KLD. The treated water was then reused in gardening after ensuring that it met the required water quality standards. Additionally, an efficient effluent treatment plant with a capacity of 50 KLD was installed to treat liquid

tank washings and the treated water from this plant was also reused for gardening. These measures showcase AHPL's commitment to sustainable water management, minimising freshwater consumption and promoting water reuse in an environmentally responsible manner.

#### Methodology

**Desalination plant:** The main source of raw water for the Kattupalli port was from the CMWSSB 100MLD desalination plant adjacent to the Kattupalli port. Sea water was treated through reverse osmosis.

**Sewage treatment plant:** Domestic wastewater was treated in packaged sewage treatment plants and treated water was reused for gardening.

**ETP:** Effluents were generated during liquid tank washings in a high efficiency effluent treatment plant of 50KLD capacity through processes like Stage-1 RO, Stage-2 RO and a multi-effective evaporation process.

#### Outcomes

- MIDPL utilised desalination water for port operations
- There was no dependence on fresh water
- Treated water from STPs and ETP was reused for gardening
- Harvested rainwater from the rainwater harvesting pond was used for gardening.

## Waste management

By practicing effective material management and waste reduction strategies, we can achieve cost savings, reduce our environmental footprint, enhance productivity and foster a sense of pride among our employees for being associated with a company that prioritises the future. We adhere to the principles of sustainable consumption and production aim to reduce the use of resources, minimise the utilisation of toxic materials and limit the emission of waste and marine pollutants throughout the entire life cycle. APSEZ businesses strive to achieve their objectives of resource conservation by adhering to the principles, which entail enhanced resource utilisation and recovery via recycling and reuse. We take measures to prevent and reduce the production of waste and ensure responsible waste management. Our stakeholders have consistently prioritised addressing marine pollution, which arises from various stages of a port's life cycle, including project construction and

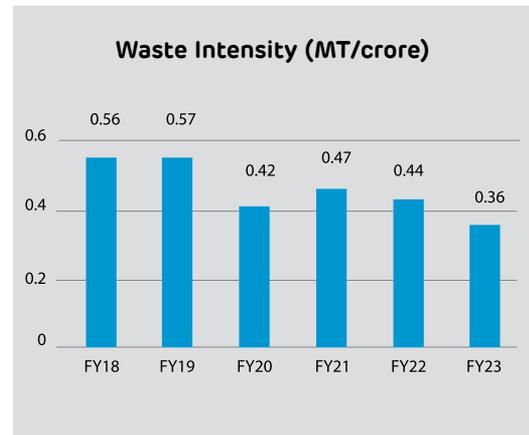
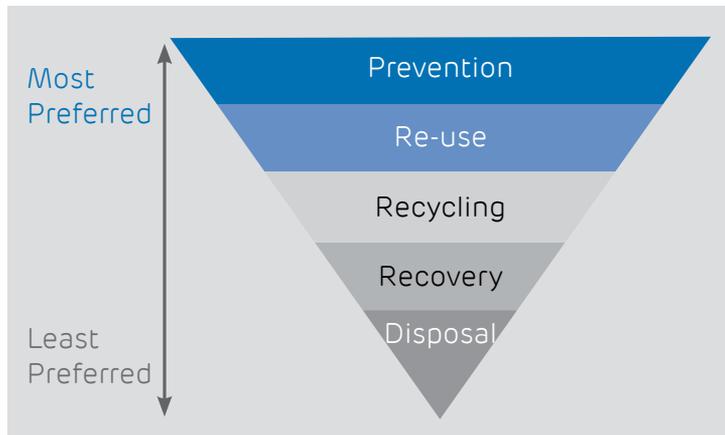
ongoing operations. Such waste encompasses dredged materials, ship-generated garbage and oily mixtures, cargo-related waste, as well as discharges from municipal and waterfront industrial activities. We successfully implemented waste management practices that involve reducing the amount of waste generated and ensuring its proper disposal through authorised treatment, storage and disposal facilities (TSDF). Additionally, we are promoting recycling and co-processing to minimise the amount of waste sent to landfills. For waste originating from ships, such as used oil and solid waste, as well as waste generated from our port-related activities (including hazardous waste, lead acid batteries waste, bio-medical waste, e-waste, non-hazardous waste and construction debris), we adhere to applicable rules and regulations for their management. Our ports also facilitate the direct disposal of hazardous waste from ships to authorised vendors.

Hazardous waste and bio-medical waste are appropriately

disposed in authorised facilities, including incineration facilities, in accordance with the necessary permissions obtained from the State Pollution Control Board. In compliance with the E-Waste Management Rules of 2016 and the Batteries Waste Management Rules of 2016, e-waste and lead acid batteries waste are sent to authorised recyclers for proper handling and recycling.

We have a legal obligation to safeguard the environment and as a part of this commitment, we implemented environmental programs and initiatives with a focus on waste recycling and reuse. We prioritise the practice of recycling waste at source to maximise efficiency. Furthermore, we aim to collaborate with organisations within our Special Economic Zone (SEZ) to closely monitor waste-related issues and jointly develop solutions that minimise any adverse effects on areas beyond our immediate control. By working together, we strive to minimise the environmental impacts associated with waste management throughout our jurisdiction.

Strategy	Activities
Reduce the use of single-use plastic	Since 2021, a comprehensive ban on single-use plastics has been implemented across all ports, including the SEZ at Mundra, by APSEZ. This ban encompasses a wide range of items such as straws, wrappers, disposables and crockery items. APSEZ took proactive measures to eliminate these items by providing alternative solutions to all employees within its port offices and facilities.
Conversion of waste to fuel	Biogas: Biogas plants in Mundra and Kattupalli serve as a foundation of our circular economy commitment, focusing on nutrient recycling and reducing greenhouse gas emissions.
	Vermicomposting: This is an effective approach for low-cost recycling and an eco-biotechnological waste management process in which earthworms collaborate with micro-organisms to convert biodegradable waste, such as processed food waste and horticultural litter, into organic manure.
	Organic waste converter: Organic waste converters are machines that turn organic waste into valuable compost for organic farming. We employed organic waste converters at three port sites for converting organic waste into green manure.
Reducing paper use	<ul style="list-style-type: none"> <li>• The digitisation of our communications; putting all publications online</li> <li>• Encouraging employees to refrain from waste generation and promote recycling</li> </ul>



Zero waste to landfill is an ambitious sustainability goal that aims to divert all waste from landfills and eliminate the need for traditional waste disposal practices. At APSEZ, through our 'Zero Waste To Landfill' initiative for non-hazardous waste, we are committed to responsible waste disposal practices, and implemented the 5R approach (Reduce, Reuse, Recycle,

Recover and Reprocess) across all our facilities. This approach enables us to manage waste in an environmentally sustainable manner. By implementing the 5R approach, we are demonstrating our commitment to sustainable waste management practices, reducing our environmental impact and creating economic opportunities. At six of our sites, we achieved the goal

of zero waste to landfill. This accomplishment demonstrates our commitment to sustainable waste management practices, and we are proud of the efforts of our employees in achieving this goal. As we move forward, we will continue to work towards achieving zero waste to landfill across all our facilities, demonstrating our commitment to sustainable business practices.

Indicator	FY 25 target	FY 23 target	Status FY 23
Zero waste to landfill	12 ports	6 ports	6 ports

Essential measures we take towards effective waste management:

- We implemented a sustainable waste management practice by recycling bio-degradable waste and using it as manure.
- Non-biodegradable waste such as paper, plastic and scraps was sent to recyclers.
- Non-recyclable and non-recoverable dry waste (loose refused derived fuel) was sent to cement plants for co-processing.
- STP sludge was used as soil conditioner/manure.
- We successfully accomplished our objective of establishing a single-use plastic-free port across sites as a part of our commitment to the 5R principle.
- We continuously educate and train our employees on

responsible waste disposal practices to ensure that they are aware of their roles in implementing sustainable waste management practices.

- Zero Unauthorised Waste Disposal (ZUWD)
- Zero Waste to Landfill (ZWL)
- Zero Effluent Discharge (ZED)

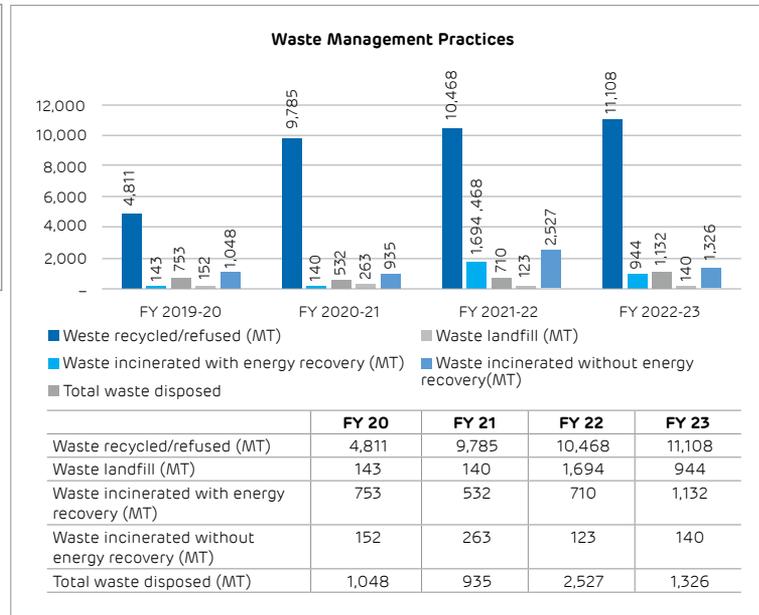
**Waste performance**

Some key performance indicators (KPIs) that we track:

- Quantity of waste generated - hazardous, non-hazardous
- % waste processed as per the 5R principle
- Quantity of waste disposed

In FY 2022-23, 92 % of the waste was handled using the 5R principle; 52% waste recycled, 20% being reused, 13 % reprocessed

and 7% recovered. Moreover, a significant amount accounting for 7,153 metric tonnes (MT) of metal scrap was sold with the intention of facilitating its subsequent recycling. This step was taken as a part of our efforts to promote sustainable practices and contribute to a circular economy. By selling the metal scrap for recycling purposes, we aim to reduce waste and minimise the environmental impact associated with traditional disposal methods. All our sites eliminated the use of single-use plastics, contributing to a more environmentally friendly and sustainable environment.



In FY 2022-23, APSEZ disposed 1312.41 MT of hazardous waste, 72.77 MT lead acid battery waste, 9.87 MT biomedical waste and 111.31 MT e-waste. Additionally, 5640 MT of metal scrap was

sold for onward recycling. APSEZ targets to reduce waste intensity 30% (from the 2017-18 level) by 2025 across our ports. The non-hazardous waste disposal and hazardous waste disposal

increased marginally due to addition of the Gangavaram and Dighi ports though our waste intensity declined from 0.44 in FY 2021-22 to 0.36 in FY 2022-23.

Waste disposal	FY 20	FY 21	FY 22	FY 23
Bio-medical waste (MT)	5	5	7	9.87
Battery (MT)	19	29	35	72.77
E-waste (MT)	5	19	51	111.31
Hazardous waste (MT)	621	769	1052	1312.41
Non-hazardous waste (MT)	5,069	6,063	6,768	6,639

## Case study

### Generating organic manure from kitchen/organic waste generated at ports.

#### Objective

Recycle/reuse/repurpose waste material

#### Activity

Converting organic waste to valuable manure/compost.

#### Project description

APSEZ took up the initiative at most sites to convert organic/kitchen waste to organic manure. A waste converter, with a total capacity of 600 Kg/day, took were installed at ports. This converter is responsible for processing kitchen and organic

waste generated from the township, port canteens and waste collected from ships. The resulting compost is then used in-house for horticulture and nursery purposes. By implementing this waste management solution, APSEZ demonstrates its commitment to sustainable practices and reduces its environmental footprint by efficiently recycling organic waste into valuable resources.

**Outcomes:** During FY 2022-23, 1373 MT kitchen waste was processed and the manure produced was used by the horticulture department for the development of nursery and greenbelt, reducing a dependence on chemical fertilisers



## Case study

### Ensuring zero waste to landfill

#### Objective

- Identify and address the challenges and barriers associated with reducing plastic waste within mixed waste and residual waste streams, with a specific focus on stimulating the prevention and recycling of plastic waste.
- Promote the recycling of plastic polymers as a viable substitute for virgin plastic, emphasising the importance of diverting plastic waste from landfills and encouraging the use of recycled materials in various industries.
- Implement and advance the zero-waste approach, aiming to maximise recycling efforts, minimise waste generation, reduce overall consumption and ensure that products are designed to be reused, repaired, or recycled, either back into nature or reintroduced into the marketplace.

#### Project description

Our goal is to achieve a zero-waste inventory by implementing an integrated waste management system that aligns with the 5R's principle of reduce, reuse, recycle, recover and reprocess.

#### Methodology

An assessment was conducted to identify different sources of waste and explore sustainable techniques for managing them. The objective was to achieve

milestones related to zero waste to landfill and obtain certifications as a single-use plastic-free port. With a comprehensive understanding of the zero waste to landfill concept, the management made a firm commitment to implement sustainable waste management techniques. As a part of this commitment, the use of single-use plastics was prohibited within the port premises.

#### Outcomes

APSEZ established an integrated waste management system to effectively manage different types of waste, including dry solid waste and hazardous waste. The system encompassed the following measures:

- Collection, segregation, storage and disposal of dry solid waste and hazardous waste were implemented as a part of the waste management system.
- Recyclable materials such as paper, plastic, cardboard, PET bottles and glass were sorted and sent to authorised recyclers for recycling.
- Wet canteen waste was directed to an in-house biogas unit. The produced biogas was utilised as a fuel source in the canteen.
- Zero waste to landfill was achieved in six ports (Mundra, Tuna, Kattupalli, Ennore, Goa and Dhamra)

# Enhancing biodiversity

## Addressing climate and biodiversity, which are interconnected and interdependent issues rather than standalone problems

All living beings rely on interdependent natural systems called ecosystems to satisfy their fundamental requirements such as sustenance, water, refuge and leisure. The level of biodiversity in these ecosystems has a significant impact on their resilience. Ecosystems that are in good health are better equipped to withstand natural disasters such as extreme weather or flooding when there is a rich diversity of biological organisms present. The crucial ecological services that businesses and society depend on are more effectively safeguarded when biodiversity is robust. The proper functioning of our operations is contingent upon the existence and well-being of biodiversity. Regardless of their scale, location, or activities, our businesses are reliant on and influenced by these ecosystem services and the biodiversity that underpins them.

The biodiversity and land-use of coastal areas can be influenced by the port sector, resulting in a range of impacts such as ecosystem degradation, habitat fragmentation, loss of ecosystems, contamination and disturbance to species. Urbanisation along coastlines can further exacerbate these impacts, leading to the destruction and

fragmentation of intertidal and shallow habitats, resulting in a loss of important ecological functions associated with these habitats. Being India's major ports company, it becomes crucial to investigate the environmental aspects company has on the ecosystem, especially coastal areas. Our operations also have an impact on mangrove plantations due to port construction and port activities and can have far-reaching consequences for biodiversity, ecosystem services, local communities, climate change mitigation, or other external stakeholder, and regulatory compliance. Mangroves provide essential ecosystem services that benefit both local communities and the broader environment. They act as natural buffers against coastal erosion and storm surges, protecting coastal communities from natural disasters. Mangroves also filter pollutants, improve water quality, and serve as nursery grounds for commercially important fish species. Any negative impact on mangrove plantations can diminish these vital ecosystem services, affecting the well-being of the environment and local communities. The introduction of new regulations concerning endangered species of plants and animals presents a potential

threat to our activities. Preserving biodiversity is an integral component of our Environmental and Enterprise Risk Management (ERM) framework. The occurrence of an oil spill could have detrimental consequences on the marine ecosystem. Any such incident could result in a complete halt of our operations, significantly impacting our revenue and reputation.

At APSEZ, we have a strong, efficient and scalable way to understand, measure and manage the impacts of our business on the ecosystem, globally and locally.

**As a company engaged in port and logistics, we acknowledge our responsibility towards the marine ecosystems. We are committed to minimising any adverse effects and safeguard the flora and fauna on land and underwater to the best of our abilities and it remains our top priority**

### Biodiversity risk assessment

The details of impact-based biodiversity risks are assessed and published in our EIS (Environmental Impact Statement) or EIA (Environmental Impact Assessment) Reports. The EIS is based on legislative requirements, international conventions, guidelines, expert knowledge

and public involvement. All our operations have EIA/EIS assessment reports (available on Parivesh Portal). Dependency-based risks are identified based on the Ecosystem Service Matrix (ESM) analysis to identify dependency-related risks on the various ecosystems within the project boundary and surrounding

areas.

Risks related to biodiversity and ecosystems are covered in the broader corporate approach to managing sustainability risks, which include other material topics such as climate change, waste, water, communities and others. Within this approach, we

have a dedicated focus on nature-related risks on the coastal and marine ecosystem.

In carrying out the risk assessment, APSEZ adheres to the following frameworks and best practices:

- Local country regulations - applicable national, state and local environmental and social laws, regulations, policies, procedures and guidelines.
- International Best Practice Standards and Guidelines
- IFC Performance Standards on Environmental & Social Sustainability (2012)
- World Bank Group Environmental, Health and Safety (EHS) Guidelines, including the General EHS Guidelines (2007) and relevant sector specific guidelines of Ports, Harbours and Terminals (2017) and EHS Guidelines for Shipping (2007)

Our biodiversity risk assessment

approach covers potential impacts on biodiversity that occur outside the immediate vicinity of a port but are influenced by its activities including upstream, downstream and sites of direct operations. These risks typically arise from various port operations and development activities, including infrastructure construction, dredging, shipping activities and land use changes. Some of the key potential risks evaluated include:

#### Upstream

- Disturbance to the habitat from land use change and construction activities
- Introduction of invasive species because of the movement of goods and vehicles

#### Direct operational

- Risks of pollution including oil spills and chemical discharges.
- Dredging activities that can alter the natural flow of water, affecting the hydrology of the surrounding areas

#### Downstream

- Movement of vessels, traffic, cargo handling that may generate significant noise and vibration disrupt the behaviour, feeding patterns and communication of marine animals

The process to screen and assess these risks are elaborated in the Biodiversity Risk Assessment steps below. In addition to the identification and assessment of these risks, APSEZ carries out monitoring ecological conditions on land and water. Our risks being related to the coastal and marine environment, we regularly monitor to assess the diversity of the marine ecosystem, shoreline erosion and quality of water. The details are collected at appropriate intervals to assess any diversion due to our operations and necessary actions are taken accordingly. Details of the monitoring methodology are included as a part of the biodiversity management plans prepared for each of our sites.

## Our Biodiversity Risk Assessment process involves the following stages

### Stage 1: Biodiversity risk screening

Conducting a screening assessment is a crucial step that APSEZ takes before starting any project. The purpose of this assessment is to identify any sensitive biodiversity areas that may be impacted by APSEZ's operations. We identify and evaluate the ecosystem services

such as erosion control, pollution control and others through the ESM analysis. We carry out risk screening for each site initially through the Integrated Biodiversity Assessment Tool (IBAT) for Business and considering biodiversity rich areas and key species from databases including ENVIS Centre on Wildlife and Protected Area, IUCN Red List for Threatened Species, Birdlife Data Zone, ebird.org, Online database of 'Conservation International' and 'Critical Ecosystem Partnership Fund', UNESCO World Heritage

Site, Alliance for Zero Extinction Sites and Global Biodiversity Information Facility (GBIF).

The ESM (Ecosystem Service Matrix) analysis is one of way to identify and evaluate the ecosystem services provided by the various ecosystems within the project boundary and surrounding areas. The APSEZ project, Mundra, was analysed based on the ESM methodology to identify the level of impacts, dependencies and management measures implemented to mitigate the risks related to biodiversity.

	Ecosystems																	
	Greenbelt			Scrub Forest			Grasslands			River & Streams			Mangroves			Coastal areas		
Ecosystem Services	DEP	IMP	MANG	DEP	IMP	MANG	DEP	IMP	MANG	DEP	IMP	MANG	DEP	IMP	MANG	DEP	IMP	MANG
Food and Fodder				ND	MI	PM	ND	MI	NM				ND	HI	PM	ND	MI	PM
Raw Materials				ND	LI	PM												
Water supply										ND	HI	PM						
Air Quality	HD	MI	PM	MD	HI	PM							LD	MI	PM			
Carbon Storage & Sequestration	HD	LI	PM	MD	LI	PM							MD	MI	PM			
Pollution Control	HD	MI	PM	HD	HI	PM							HD	MI	PM			
Erosion control	HD	NI	PM	HD	HI	PM	MD	MI	NM				HD	MI	PM	MD	MI	PM
Flood control	HD	NI	PM	HD	LI	PM							HD	NI	PM			
Habitat and Nursery							ND	HI	NM	ND	MI	PM	ND	MI	PM	ND	MI	PM
Noise Control	HD	MI	PM															
Pollination				ND	MI	NM	ND	MI	NM									
Species Diversity				ND	LI	PM	ND	MI	NM									
Water Recharge										MD	HI	PM	ND	MI	PM			
Nutrient cycling	MD	LI	PM				MD	HI	NM									
Soil Formation	LD	LI	PM				LD	LI	NM									
Soil Retention	HD	HI	PM				HD	LI	NM				MD	MI	PM			
Water Regulation										LD	MI	PM						

Dependencies Category	DEP		Impacts Category	IMP		Management level	MANG
High Dependency	HD		High Impact	HI		Not Managed	NM
Medium Dependency	MD		Medium Impact	MI		Partially Managed	PM
Low Dependency	LD		Low Impact	LI		Fully Managed	FM
No Dependency	ND		No Impact	NI		Alternative identified and implemented	AM

## Stage 2: Biodiversity impact assessment

To assess the risks to biodiversity that were identified during the screening process, APSEZ assesses risks to biodiversity through a location-specific approach considering direct impact of operations on biodiversity and the ecosystem at the site level.

Biodiversity impact assessment is comprehensively covered in the EIA to include the following:

- Establishment of the environmental baseline conditions in the study area based on field studies and review of literature
- Identification and prediction

of significant impacts due to the proposed expansion on various environmental and social attributes

- Assessment of the project impacts and provide for measures to address the adverse impacts by the provision of the requisite avoidance, mitigation and compensation measures
- Integration of environmental issues including genuine stakeholder concerns in the project planning and design
- Preparation and development of appropriate management plans for implementing, monitoring and reporting of the environmental mitigation and enhancement measures suggested during all

stages of project cycle

**Process description:** The impact assessment study area covers an average of 10 Km radius from owned operational sites. The buffer area around the operational site generally covers the marine ecosystem, wetland ecosystems and terrestrial ecosystems; the location specific approach is used for impact assessment of port operations and logistics sites. Different stakeholders who have location specific expertise in biodiversity are involved in the process. Procedural steps are elaborated below:

- **Identification of potential impacts:** Identification of potential impacts is an objective

exercise to determine what could potentially happen to the environment because of the project and its associated activities.

• **Evaluation of potential impacts:**

Once the identification of potential impacts is complete, each potential impact is described in terms of its various relevant characteristics (e.g., type, scale, duration and extent) and each potential impact is defined in terms of 'likelihood' and 'magnitude'. The likelihood of impacts is assessed based on historical information, modelling, industry data and professional judgment. The magnitude describes the intensity of the change that has the potential to occur in the resource/receptor because of the potential impact. The evaluation of potential impacts also considers the sensitivity/vulnerability/importance of the potentially impacted resource/receptor.

• **Determine significance of potential impacts:** Following the evaluation of potential impacts, the risks to biodiversity are further prioritised to identify potential impacts that require mitigation.

**Assessment done for the operational sites**

The study on marine ecology and operational impact on marine ecosystem have been conducted separately for all ports locations by different Government agencies like the Gujarat Institute of Desert Ecology (GUIDE); National Centre for Sustainable Coastal Management (NCSCM) together with Society of Integrated Coastal Management (SICOM).

For our Vizhinjam port, Comprehensive Environmental Impact Assessment (CEIA) have been carried out with the study area of 30 km stretch (15 km both sides) of the shoreline, the marine ecology study was carried out by Central Marine Fisheries Research

Institute (CMFRI) and Indian Council of Agricultural Research (ICAR), Kochi, Kerala.

The land area for the proposed VISL (Vizhinjam International Seaport Ltd.) port being predominantly reclaimed land and with no sensitive marine ecosystems in the 10 nautical mile stretch, there are no direct dependencies or significant impacts on the biodiversity and ecosystem services from operations.

However, the study has identified potential short-term, localised impacts on the marine environment due to construction activities (capital dredging and disposal, for example) and port operations (including movement of cargo vehicles). Potential risks and impacts on biodiversity and proposed measures to mitigate impacts (as per the mitigation hierarchy) at different stages of operations have been elaborated in the report.

	Number of sites*	Area (Hectares)
Total number of sites	13	12517.0
Assessment	13	12517.0
Exposure	2	2293.5
Management plan	13	12517.0

\*The assessment reported is of 12 ports and one logistics site.

**Assessment:** For the biodiversity impact assessment, study of species has been done to know their density, abundance and frequency. Primer-e software was

used to do the assessment. All species were sorted, enumerated and identified to the advanced taxonomic level possible. Indices reported were:

- Shannon-Wiener Diversity Index
- Margalef's Species Richness Index
- Pielou's Evenness Index
- Simpson Dominance

**Case sample of our Hazira location: Diversity Indices (Average)**

Diversity Indices	Intertidal Fauna	Subtidal macro-fauna	Phytoplankton	Zooplankton
Shannon_H	1.66	2.21	2.22	1.97
Simpson_1-D	0.68	0.86	0.88	0.81
Evenness_e^H/S	0.50	0.82	0.94	0.90
Margalef Richness	2.08	3.04	3.35	0.96
Berger-Parker	1.66	-	-	-
Dominance_D	-	-	0.12	-
Equitability_J	-	-	0.97	-

**Key impact-related to biodiversity risks identified are provided below:**

**Construction of terminal**

- Increased sediment load in the receiving surface water body and potential to result in an increase of suspended solid, decreased DO and increased BOD
- Impacts to surface water body due to the mixing of hydrocarbon

and chemicals; potential impact on water quality and aquatic ecology

- Potential increase in underwater noise and impact on aquatic fauna
- Potential impact in benthic habitat and fauna, primary productivity, spawning habitat of fishes marine organism, bioaccumulation of toxic materials

and marine mammals

**Port operations**

- Surface water body impacts due to an increase in organic load potential impact on water quality and aquatic ecology
- Potential impact on marine ecology due to a discharge of untreated wastewater, runoff water and vessel movement.

**Stage 3: Biodiversity Management Plan**

APSEZ takes a customised approach to biodiversity management by developing a unique and exclusive Biodiversity Management Plan (BMP) for each of its operations. This plan is informed by the findings of a technical biodiversity risk assessment and provides detailed guidance on implementing appropriate mechanisms to avoid and minimise the impact of operations on biodiversity, as well as conserve and restore the ecosystem.

APSEZ has prepared location specific Biodiversity Management Plans for Mundra, Dhamra, Hazira and Vizhinjam, which are covered under ESMS (Environmental and

Social Management System) reports, developed as per IFC Performance Standards and the Equator Principles. We have a framework for Land & Biodiversity Management as part of ESMS for every site.

APSEZ prepared an NCAP report for the Mundra and Dahej ports. NCAP is a site-specific document developed to improve biodiversity quotient (performance of biodiversity and ecosystem services) of the project and to mitigate risks. The process of NCAP is focused on identifying, evaluating and conserving relevant aspects of biodiversity and ecosystem services. The aim of NCAP:

- Mitigating biodiversity loss, with the objective of maintaining the

diversity of species, habitats and ecosystems and the integrity of ecological functions; and

- Seizing opportunities for enhancing biodiversity as a contribution towards achieving the Global Goals, India's National Biodiversity Targets (NBTs) and GRI Standards

This approach prioritises avoidance of harm, minimisation of impacts, restoration of affected areas and, as a last resort, offsetting residual impacts. By following this framework, we aim to ensure that our projects are developed in a sustainable and responsible manner, while also considering the needs of the communities and ecosystems in which we operate.



## Biodiversity mitigating actions and examples

### Mitigation hierarchy

When planning a new project, we use the mitigation hierarchy – a decision-making framework that involves a sequence of five key actions: avoid, reduce, regenerate, restore and transform.

Once the significant negative potential impact (moderate, major and severe) has been characterised, the next step is to the development of mitigation, enhancement and monitoring measures following the mitigation hierarchy (aligned with IFC Performance Standard and Science Based Targets Network)

Under the mitigation hierarchy, preference is given first to measures in the following sequence:

- **Avoid at source:** Avoiding negative potential impacts from the project through the designing of the project or through engineering control to prevent unplanned events. APSEZ considers the results of biodiversity risk screening to decide on the location and design of ports, associated infrastructure and operations. Land area for the proposed VISL (Vizhinjam International Seaport Ltd.) The port is predominantly reclaimed land. The portion of available land does not have any mangroves. Hence, proposed port development will not have any impacts on mangroves. The international transshipment route is ten nautical miles away. There is no wadge bank or any sensitive marine ecosystems in these ten nautical miles stretch. Therefore, there will not be any impact to the wadge bank (located 40 km away) due to the construction and operation of the Vizhinjam deep water port.

- **Reduce at source:** Reducing negative potential impacts by improvements to the design to abate the potential impact

(for example pollution control equipment, sea traffic controls, etc.) APSEZ conducts ship tranquillity study as and when required for the ports to assess sea traffic and take control measures if required. We have done a ship tranquillity study for our biggest port i.e., Mundra Port.

To avoid and reduce impacts on the marine water quality and ecology in the harbour basin, it is proposed to prevent discharges, APSEZ ensures that runoff from berths and cargo storage areas are directed to collection ponds where the water quality is tested and then discharged into the sea if the water quality meets the marine water discharge standards.

- **Restore and regenerate:**

Some potentially significant impacts involve the potential for unavoidable damage to a resource (for example, water quality, fishery, etc.) and these potential impacts can be addressed through regular monitoring, repair, restoration or reinstatement measures, if they occur.

Impacts on the marine environment are assessed to be short-term; mitigation options have been proposed to reduce impacts on the marine environment and ecology. To restore and rehabilitate disturbance to the terrestrial ecosystems, eco-restoration measures through afforestation and tree plantation are planned by the respective environmental management units of the ports in consultation with the local forest departments.

APSEZ has proposed to take pioneering steps towards building sustainable growth in the Lakhpat region, Kutch, by restoring the natural grassland habitats (ecological restoration) along the Guneri village, for 40 Ha. grassland ecosystem in gauchar land, by collaboration with Gujarat Ecology Society

(GES) – a non-profit organisation, based in Vadodara, Gujarat. With the support of Gauchar Seva Samiti, a grassland in Siracha (40 acre) and Zarpara (165 acre) were rehabilitated, which resulted in a production of 82 tonnes of fodder.

As a result of restoration efforts, Bhatagadh reported 50 species while Chachh reported 64 species, Common babbler (*Turdoides caudata*), Grey francolin (*Francolinus pondicerianus*), Indian robin (*Saxicoloides fulicatus*), Red-vented bulbul (*Pycnonotus cafer*) and White-eared bulbul (*Pycnonotus leucotis*) were the most common species observed during the survey period from December 2022 to March 2023. The survey also reported the presence of Black francolin and White-tailed lora in the area for the first time, clearly an indication of increased insect biodiversity as a prey for these birds. The sighting of the Ashy crowned sparrow lark increased, clearly an indication of improving biodiversity.

- **Transform:** Adopt measures to result in no-net loss of biodiversity (and net gain in case of endangered species and ecosystems) through broader positive change in the biodiversity of the landscape, including compensating for potential project impacts.

As a part of the total loss of green cover, VISL is committed to plant about 25 Ha based on the footprint of impact of vegetation cover along the acquired land. Additionally, APSEZ prepares a Natural Capital Action Plan (NCAP) in addition to the Biodiversity Management Plan to determine targets and appropriate interventions at the broader site level to mitigate biodiversity risks and improve the overall biodiversity quotient.

#### Stage 4: Implementation and monitoring

APSEZ places a great importance on regular monitoring and the reporting of Best Management Practices (BMP) and biodiversity performance indicators to make progress in managing biodiversity. To achieve this goal, the Company focuses on several key aspects, including reviewing current BMP and practices, developing site-specific protocols for biodiversity

and ecosystem services management, regular monitoring of marine ecology, shoreline monitoring and drawing from global best practices to achieve our commitments.

#### Biodiversity assessment of value chains activities

We monitor the marine ecology and do the assessment for our upstream activities. Our major operations provide services at port locations; indirect impacts may

arise from disturbances caused by maritime transport operations; we are carrying continuous monitoring to assess the diversity of the marine ecosystem, hydrodynamic environment, shoreline erosion, mangroves and associated biodiversity and quality of water. The details are collected at appropriate intervals to see any diversion due to our operations and to take necessary action are taken accordingly.

#### Biodiversity strategy

Environmental sustainability has been a long-standing priority at APSEZ. We have always been cognizant of the potential biodiversity-related risks surrounding our operations. To further our continuous efforts to deliver a positive impact to the community and their environment, the scope of our biodiversity commitment applies throughout our operations, while none of our operational sites are in any of the identified biodiversity hotspots or protected areas. We annually engage with internal and external stakeholders on biodiversity topics.

We assess our value chains annually on biodiversity aspects to understand their materiality related to biodiversity. We align our efforts in a way that minimises any adverse environmental impact caused by our operations and we aim to align our supply chains with our biodiversity policy.

We make considerable efforts to conserve biodiversity. We have promoted several ecological conservation programmes at our operational sites. Our biodiversity conservation programmes aim to create congenial rural wildlife habitat through various plantation programmes.

We also proactively engage with stakeholders, such as local communities, governments, NGOs and industry peers, companies to leverage their diverse perspectives and expertise to develop effective strategies for biodiversity conservation and sustainable resource use. APSEZ aims to contribute to the global effort of halting biodiversity loss, protecting critical habitats and promoting sustainable business practices that safeguard the health and resilience of our planet's ecosystems. We are following the development and pilot testing of the Task Force on Nature-related Financial Disclosure's (TNFD) framework.

The final TNFD framework is expected to be released in September 2023. Both the COP15 Agreement and the evolving TNFD framework are anticipated to influence our environmental policy, biodiversity policy and standards going forward.

The Board Level Corporate Responsibility Committee drives the biodiversity agenda; it is considered an important aspect of doing business. The Board of the Company is well versed with the terms of reference with respect to managing the biodiversity aspects to ensure compliance. Our cross-functional Sustainability Leadership Committee (SLC), chaired by the CEO, is responsible for ensuring the operationalisation of sustainability as a part of our strategy. At the site level, the heads support the implementation of our sustainability strategy in their respective functions through the Sustainability Steering Committee (SSC).

#### Strategic partnerships to promote biodiversity

APSEZ recognises the significance of continuous communication with diverse stakeholders. Hence, we actively pursue collaborations with relevant global interest groups and organisations. Our goal is to promote the awareness of biodiversity and facilitate necessary measures to conserve

natural ecosystems. Through such partnerships, we aim to exchange knowledge gained from our biodiversity initiatives, while also acquiring insights from others to enhance our own practices. We are member of Indian Business & Biodiversity Initiative (IBBI) to promote sustainable management of biodiversity.

IBBI is a business-led initiative that serves as a national platform for business, to promote sharing and learning and will ultimately lead to mainstreaming sustainable management of biological diversity by business. IBBI was initiated by the Ministry of Environment, Forests and Climate Change (MoEFCC), Government of India. At present, more than

50 Indian and global businesses are signatories to IBBI along with 13 stakeholder and research

organisation. As a signatory to the initiative, which is a commitment made by our Board, biodiversity

features as a top organisational agenda.

Mapping biodiversity interfaces with business operations	Enhancing awareness on biodiversity within organisation	Considering the impacts of business decisions on biodiversity	Setting objectives and targets for biodiversity management
<b>Designating an individual within the organisation as a Biodiversity Champion and assessing biodiversity risks and opportunities</b>	Including the applicable biodiversity aspects in the environmental management systems	Encouraging relevant stakeholders to support better biodiversity management	Engaging in policy advocacy and dialogue with Government, NGO and academia on biodiversity concerns & initiating the valuation of relevant biodiversity and ecosystem services

APSEZ is a signatory to the Indian Business & Biodiversity Initiative; it strives to increase the climate resilience of the marine and coastal ecosystem.

**Goal: To minimise the severity and magnitude of the highest net biodiversity value.**

The potential effects of ports on biodiversity are diverse and can range from the degradation, fragmentation, or loss of ecosystems and their services caused by land intake for port

infrastructure, to contamination and the intrusion of invasive species, as ports serve as significant entry points for such species. Direct spatial impacts of ports include the loss of habitats due to infrastructure development and dredging activities. Indirect impacts may

arise from disturbances caused by maritime transport operations. APSEZ has integrated biodiversity impact assessments into the project planning processes to proactively avoid conflicts, costs and delays and to mitigate the project impact.

**Biodiversity commitments**

Our commitment recognises that there might be potential impacts on ecosystems and biodiversity through operations which we aim to firstly, balance and mitigate through interventions towards our goal of achieving No Net Loss (NNL). As a part of our NNL commitment, our Biodiversity Management Plans identify high-priority sites and options to mitigate risks as described in the mitigation hierarchy earlier. Finally, we aim to go beyond achieving NNL by implementing measures to conserve and restore biodiversity elsewhere, ensuring that the overall biodiversity impact from our operations is positive – resulting in Net Positive Impact by 2050.

Our commitments are aligned with 'Post-2020 Global Biodiversity Framework' and Convention on Biological Diversity 'living in harmony with nature by 2050.'

We align our efforts in a way that minimises the environmental impact resulting out of our operations. A new dedicated Biodiversity Policy has been approved by our Board.

We are also committed to No Net Deforestation by 2050 for our own operations, as well as ensuring that our operations steer clear of eco-sensitive areas like IUCN categories I-IV protected areas, UNESCO World Heritage Sites and wetlands on the Ramsar List.

The objectives of our biodiversity management:

- To promote the sustainable management of land and natural resources that integrate conservation needs and development priorities throughout APSEZ construction, operation and decommissioning activities.
- To undertake reasonable measures to avoid and minimise the direct and indirect impacts

of a project/site development, operation and decommissioning activities on land use, terrestrial and aquatic habitat (including, but not limited to, shoreline vegetation, wetlands, coral reefs, fisheries, bird life and other sensitive aquatic and near-shore habitats, etc.)

- To protect and conserve biodiversity and ecosystem services (including alteration and/or fragmentation of areas of high biodiversity value) within and in the surroundings of APSEZ project/site influence areas.
- To improve environment conservation through knowledge building and sharing through multi-stakeholder partnerships. As our commitment towards Net Positive Impact, we are trying to mitigate potential risks and footprint.

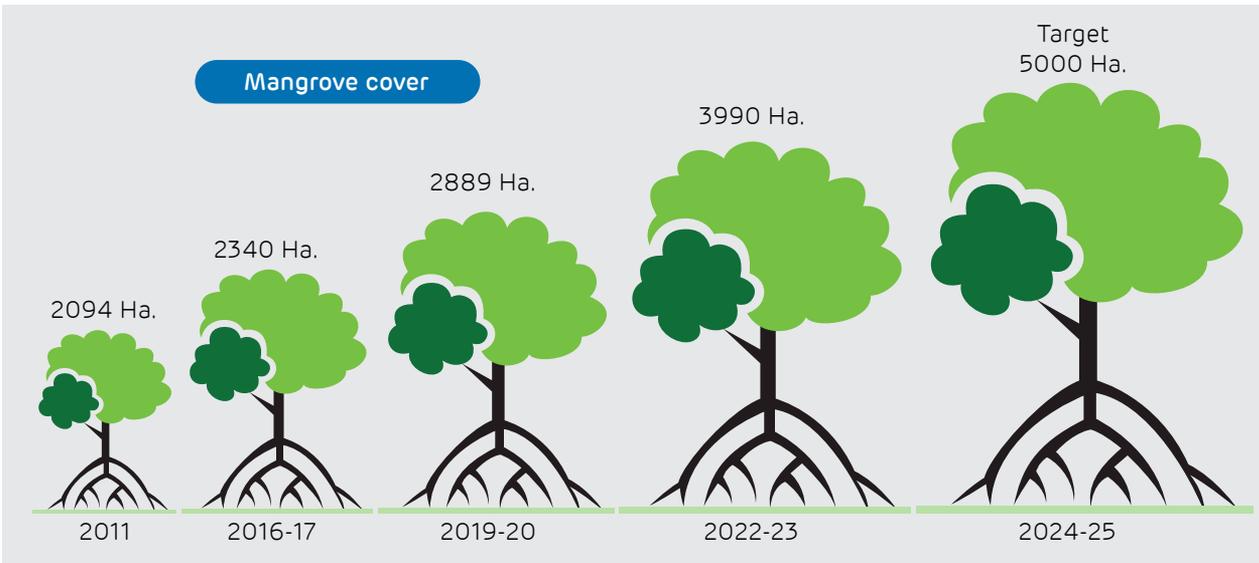
**BIODIVERSITY COMMITMENTS**

- Net positive impact on biodiversity across all the operational sites by 2050
- No net deforestation by 2050

**Targets towards achieving net positive impact**

- Develop 5000 Ha. of mangroves by 2025
- Increase the area of terrestrial plantation by 1200 Ha by 2025
- Engage in 10 community-based conservation initiatives by 2035
- Engage 100% of our critical suppliers for biodiversity conservative measures

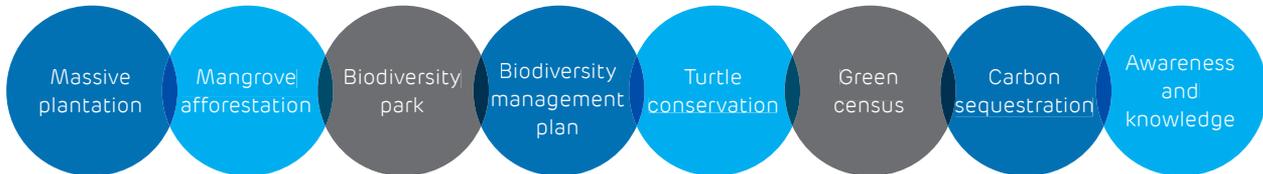
Indicators	UOM	2025 Target	FY 23 Targets	Status FY 23
Terrestrial plantations	Hectares	1200	1100	1183
Mangrove afforestation	Hectares	5000	3800	3990



**Biodiversity conservation measures:** We wish to manage natural resources equitably & sustainably for a flourishing and climate stable future. Ports have demonstrated over time that it is possible to plan integrated projects that reconcile port

development with nature protection and to enhance the sustainability of transport infrastructure. Mangrove conservation was done in Mundra, Hazira, Krishnapatnam and Dhamra, with 2852 Ha. conserved in FY 2022-23.

**Strategic milestones for the future comprise:**



**Training and awareness**

APSEZ conducts regular training to sensitise employees on the importance of biodiversity. We are giving training programmes for implementing our ESMS at all our sites. We have completed the training for four sites i.e., Mundra, Hazira, Dhamra

and Vizhinjam in FY 2022-23. The training is based on IFC Standard 6 Biodiversity Conservation and Sustainable Natural Resource Management. The Company's biannual leadership program, Shikhar, brought together environmental professionals from various sites to enhance their understanding of topics related to the environment and sustainability.

**Biodiversity enhancement and restoration:**

We supported several projects in the region where we operate to enhance biodiversity and to have a Net Positive Impact.

**Objective: To protect and conserve mangrove cover & its associated ecosystem**

**About the project:** APSEZ has prepared a Comprehensive and Integrated plan for preservation and conservation of mangroves and associated creeks in and around the Mundra port by engaging the services of National Centre for Sustainable Coastal Management (NCSCM) institute of Ministry of Environment, Forest & Climate Change (MoEF&CC).

The Gulf of Kachchh is one of the rare ecological zones in the world, having rich biodiversity, several Ecologically Sensitive Areas (ESAs) with coral reefs on its southern coast and mangroves along the creeks on the northern coast. The mangrove spread of Mundra taluka is 19.1 km<sup>2</sup> distributed mostly along creek systems and islands. The total length of all creeks studied was estimated to be 43.18 km.

**Outcomes**

- Mangrove cover in and around APSEZ increased from 2094 Ha in 2011 to 3035 Ha in 2022
- No obstruction to any water stream (creeks / branches of creeks/ rivers)
- Mangrove cover will help in trapping the sediment and breeding grounds for marine biota like crab, fish and birds etc.

**Objective: Multispecies mangrove park to enhance the coastal biodiversity of Kachchh, Gujarat**

**About the project:** We contemplated to establishment of multi-species Mangrove Biodiversity Park in 20 Ha. in a village named Luni of Mundra taluka, Kachchh, Gujarat, in collaboration with Gujarat Institute of Desert Ecology (GUIDE), Bhuj. Tree harvesting methods were used for estimation of total biomass (above and below ground) by stratified random sampling. Further, carbon sequestered in the soil (up to 30 cm depth) was also examined.

**Outcomes**

- The mangroves planted in the Luni area of Mundra have the potential to become the most carbon-rich ecosystems. They showed a carbon sequestration rate of 46.8 mg per ha per year.
- GUIDE results support that although the mangroves account for less than one percent of the total tropical forest area, they can show approximately 3% of carbon sequestration.

**Objective: Strengthen natural wind breaks or shelter belts in the coastal areas to protect the adjoining habitations and agricultural fields from the effect of strong winds and to develop a natural barrier against the impact of storm and tidal surge**

**About the project:** First ever bio-shield project on the Gujarat coast were implemented by APSEZ at Hazira and Dahej port. An area of 1 km in length and 180 meters in breadth, on the seacoast was identified at village Tankari in Jambusar taluka of Bharuch District in Gujarat. The first 50 metres from the seaward end was used for mangrove plantation, protected by natural bamboo fencing, which helps in protecting the seacoast. The subsequent 50m comprised piludi plantations, an oil-seed plant followed another 50 metres consists of Sharu and Unt Morad plantation. The remaining 30 metres consisted of fodder, fruits and medicinal plants, which present substantial economic value and help in blocking saline winds, thereby enhancing the green cover of the region. The entire creation of nurseries, plantations, mangrove conservation and protection of the bio shield is being carried out with the help of the local villagers and fisher-folk community, providing them with livelihood opportunities.

**Outcomes**

- Improvement in air quality due to sequestration of CO<sub>2</sub>.
- Help the fisherman community by enhancing fishery resource in the near shore waters.
- Enhance livelihood opportunities through plantation and regeneration activities, increased fodder availability for livestock owners by alternative resource creation.
- Increased availability of fuel wood and small timber through the sustainable harvesting of other plants.
- Since this is a community-based approach, the community has feeling of owning the programme and the concept will be sustainable in the long run.

### Objective: To protect the endangered Olive Ridley species which are Schedule - I species of Indian Wildlife (Protection) Act, 1972 (amended 1991)

**About the project:** All the species of sea turtles in the coastal water of Odisha are listed as vulnerable as per IUCN Red Data Book, Dhamra port is part of the comprehensive high level strategy initiative for the protection of the endangered Olive Ridley species.

The port area and its navigation channel are outside the Turtle Congregation area. As a part of compliance to IUCN recommendations - Lighting & Dredging protocol ensured that specially designed dark sky friendly lights were fixed in the port and township. Glare was not transmitted towards the sea & in the turtle congregation area. Dhamra port takes collaborative efforts with the government during mating, congregation, nesting & hatching like providing a trawler to the Forest Department for patrolling.

Dhamra Port submitted a proposal for establishing a Olive Ridley Turtle & Estuarine Crocodile Research Center at Dhamra in partnership with Government of Odisha (GoO). GoO is actively examining the proposal.

#### Outcomes

The breeding season for Olive Ridley Sea turtle in Odisha extends from November to May during which mating, egg-laying and hatching take place; with time, the numbers have increased .

	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22
Gahirmatha (Near Dhamra port)	0.04 lakh	6.65 lakh	4.51 lakh	4.07 lakh	3.50 lakh	5.01 lakh
Rushikulya river mouth	3.71 lakh	4.45 lakh	No Mass nesting	3.23 lakh	No Mass nesting	5.50 lakh
Total	9.75 lakh	11.10 lakh	4.51 lakh	7.30 lakh	3.50 lakh	10.51 lakh

Source: <https://wildlife.odisha.gov.in/WildlifeCensus>

### Objective: To understand the shoreline changes at Adani Hazira Port

**About the project:** A shoreline change analysis has been carried out using multi-date satellite images to estimate the rate of change in terms of distance of the shore eroded or accreted using cross-shore profile in terms of area and volume. From the satellite images, the shoreline has been extracted after rectification and co-registration. The rate of shoreline changes from 1990-2021 has been analysed and compared with DGPS survey and ground truth data for which Digital shoreline change analysis system (DSAS) software that works within the Geographic Information System (ArcGIS) software was applied.

The end point rate (EPR) & linear regression rate-of-change (LRR) statistics methods were done to know short-term and long-term shoreline changes.

#### Outcomes

The study indicated that a total distance of 11.8 km in the northern coast of Hazira from Suvali beach to the port area were identified as a zone of high erosion whereas from South Hazira coast, approximately 3.6 km up to the northern tip of Ubhrat beach, was the high accretion zones.

In the change in the shoreline during the last 30 years from 1990 to 2021 at Suvali beach block area, the maximum erosion occurred at a cross-section of ~804 m and at Ubhrat beach ~359m cross section. On the contrary, at Southern Hazira block, the maximum deposition (~903m) was found during 2009 to 2021.

**Details of average and maximum long term shoreline changes**

Period	Name of the Places	Average shoreline change (m/yr)	Maximum shoreline change (m)
1990-2021	Suvali Beach	(19.03)	(54.73)
	Southern Hazira	(6.9)	(24.58)
	Ubhrat Beach	(3.79)	(10.97)
2013-2-21	Suvali Beach	(18.49)	(51.03)
	Southern Hazira	18.61	71.37
	Ubhrat Beach	1.62	26.65

**Details of average and maximum shoreline changes each decade**

Period	Name of the places	Average shoreline	Maximum
1990-2001-02	Suvali Beach	(20.01)	(121.93)
	Southern Hazira	(30.15)	(154.26)
	Ubhrat Beach	0.92	20.23
2001-02-2009	Suvali Beach	(19.80)	(52.07)
	Southern Hazira	(73.82)	(177.3)
	Ubhrat Beach	(7.68)	(25.52)
2009-2021	Suvali Beach	(14.43)	(44.2)
	Southern Hazira	53.14	166.3
	Ubhrat Beach	(3.18)	(15.68)

**Case study: Miyawaki Plantation - Naya Kapaya**

**Objectives:** To reconstitute the indigenous forests by indigenous trees in Naya Kapaya Village

**About the project**

Nana Kapaya village is the proposed site for Miyawaki-Dense Plantation and is close to many industries in and around the Mundra landscape and coastal creeks. As discussed with villagers, we proposed the close or dense plantation at sites called Miyawaki Types of Plantations with the following four major compartments: (45X20 meters approx.) and with following strategies:

- Mixed plantation dominant with drought resistant plants
- Mixed plantation dominant with larger leaves
- Mixed plantation dominant with saline resistant plants
- Mixed plantation dominant with medicinal values

**Outcomes**

Plantation of 5880 saplings of 42 species is completed and will result in a dense forest.



## Case study

### Grassland Ecosystem Restoration

APSEZ has proposed to take the pioneering step towards building sustainable growth in the Lakhpat region, Kutch, by restoring the natural grassland habitats (ecological restoration) along the Guneri village, for 40 Ha. grassland ecosystem in gauchar land, by collaboration with Gujarat Ecology Society (GES), a non-profit organisation based in Vadodara.

The faunal survey had been conducted in December 2021 and continued till February 2022. The survey highlights the presence of 9 threatened species based on IUCN (2021) viz., Monitor Lizard Black Tailed Godwit, Black-headed Ibis, Common Pochard, Tawny Eagle, Steppe Eagle and White backed Vulture were sighted in the area.

The restoration process was planned to be spread over three years, starting initially with 10 Ha. and moving to 40 Ha by the third year.

**In process:** With the support of Gauchar Seva Samiti Grassland development in Siracha of 40 acres and Zarpara 165 acres resulted in a total production 82 ton of fodder.

The avifaunal survey conducted

in March 2023, indicated the presence of 24 species from the Bhathagadh area. Out of 24 species, 21 were resident birds and 3 were migratory compared to 19 species in January (resident birds: 10; migratory birds: 9), clearly indicating seasonal migration patterns.

Bhathagadh reported 50 species while Chachh reported 64 species, Common babbler (*Turdoides caudata*), Grey francolin (*Francolinus pondicerianus*), Indian robin (*Saxicoloides fulicatus*), Red-vented bulbul (*Pycnonotus cafer*) and White-eared bulbul (*Pycnonotus leucotis*) were the most common species observed during the survey period from December 2022 to March 2023.

The survey also reported the presence of Black Francolin and White-tailed lora in the area for the first time, clearly an indication of increased insect biodiversity as prey for these birds. The sighting of the Ashy crowned sparrow lark increased, an indication of improving biodiversity.

## Case study

### Smriti Van Memorial

Smriti Van Memorial Park is a unique initiative by Prime Minister to commemorate the death of about 13,805 people during the massive earthquake, which had its epicenter in Bhuj district. The memorial occupies around 406 acres of space of the Bhujia Dungar near Bhuj, Kutch, that shows people's oppressive response to a natural disaster. As a part of Smritivan Memorial Park, there is a museum, convention centre, sunset point and ecological park with

varied species of trees to attract biodiversity. For the ecological park, approximately 24 acres of land were demarcated, where it was proposed to plant ~3 lakh local species trees.

Adani Foundation supported 47000 saplings in Smriti Van. In August 2022, the Indian Prime Minister inaugurated Smriti Van Memorial, which celebrates the resilience of the people during the devastating 2001 earthquake in Kutch.



### Prevention of spills

Spills of hazardous substances can cause severe soil and water pollution and lead to environmental disasters. Our facilities are protected through the implementation of Oil Spill Action Plan, in accordance with the National Oil Spill Disaster Contingency Plan (NOS-DCP) and International Petroleum Industry Environmental Conservation Association to prevent and reduce spills (oils, lubricants, fuels and other oily liquids) associated

with activities like anchoring, berthing and cargo handling. We also have scheduled inspections and maintenance programs for spill prevention measures. APSEZ designed the systems, including facilities supplied by third parties to meet the highest international pollution prevention design and operation standards, and to prevent irreversible environmental damage that could adversely affect the marine eco system and could have heavy legal penalties.

Apart from marine oil spills, the action plan also considers spills that may occur on land as they can reach shore area and contaminate the soil, affect the critical habitats and kill flora and fauna. If any oil spill incident is observed on land, immediate control and clean-up of the oil spill is done. A controlled oil spill is less likely to reach sensitive marine habitats. APSEZ did not experience any spills during the fiscal year 2022-23.

### APSEZ's 7-point Oil Spill Action Plan

- Leak proof containers for transporting waste internally and externally
- Closed containers for storage and transportation of hazardous wastes like used/ burnt/ furnace/ transformer/ light diesel oil
- Proper stacking of containers
- Use of tarpaulin to cover the waste loaded transportation vehicle First-aid box in the case of minor injuries
- Periodic inspection to identify potential spills, including the maintenance and replacement of existing containers
- Adopting a safe working procedure during handling and operations



# Sustainable supply chain practices: Balancing efficiency and environmental responsibility

Material Issues	SDGs Impacted
<ul style="list-style-type: none"> <li>• Human Rights</li> <li>• Energy management</li> <li>• Climate change</li> <li>• Labour practices</li> <li>• Health and safety</li> <li>• Water management</li> </ul>	
<b>Performance Highlights</b>	
<p><b>5343</b> Total Suppliers</p>	
<p><b>5343</b> Number of Tier-1 suppliers</p>	
<p><b>270</b> Total number of significant suppliers (Tier 1 and Non-Tier 1)</p>	
<p><b>270</b> Significant Tier 1 suppliers</p>	<p><b>0</b> Significant non-Tier 1 suppliers</p>
<p><b>59%</b> Total spend on significant Tier 1 suppliers</p>	
<p><b>Goal:</b> Implement sustainability-based vendor ranking / scoring system for procurement by 2025</p>	

## Overview and objectives

As a critical component of the global supply chain, APSEZ recognises the need to adopt innovative approaches to navigating disruptions, rather than relying on conventional methods.

We assist our clients in achieving agility by developing resilient and sustainable supply chains through an ESG-driven approach and the integration of key qualifiers that have resulted in enhanced supply chain efficiency and profitability.

Our primary objective is to create awareness among our supply chain partners about the importance of sustainable business practices and to instil this mindset in their supply chains. We believe that by

<sup>1</sup>Vendors possessing proven skill sets, expertise and competencies

sensitising and educating our partners, we can collectively work towards achieving a more sustainable future. The objectives are as follows:

- Focus on local economic development by increasing our local sourcing and procurement spend
- Mitigate risks through a complete compliance with the environment, safety and labour regulations
- Create shared value by encouraging sustainable business practices like climate action plan, water management policy and human rights policy!

APSEZ is committed to securing its supply chain, developing a strategic supplier relationship framework and exploring opportunities to leverage suppliers' strengths for collaborative value generation. Our relationships with suppliers are critical to our vision of making Adani Ports the world's largest port company utility by 2030.

### Strategy and management

At APSEZ, we strongly believe that sustainable procurement practices can only be achieved through a fundamental recognition of responsibility, adopting the right attitude and building skills and knowledge. We recognise that our long-term growth depends on maintaining strong relationships with our stakeholders based on mutual trust, respect and benefits. These relationships form the foundation of a robust working relationship that shields us against unfavorable business and economic cycles.

To strengthen the sustainability of our value chain, we carefully select suppliers who are willing to engage with us on a multitude of

sustainability-related issues while maintaining our high standards of excellence and affordability. Our sustainable procurement strategy centers around a comprehensive risk management and compliance approach that enables us to act on the sustainability performance and risks of our suppliers as a basis for fact-based decision-making in sourcing processes and the awarding of contracts.

Transparency is key to our approach, as it benefits risk management and risk mitigation, as well as dialogue and cooperation with our suppliers. We are committed to upholding our Environmental, Health and Safety Policy and Human Rights Policy, which encourage our suppliers to meet ESG requirements. We prefer ISO 14001 and ISO 45001 certifications, and all our suppliers must adhere to the APSEZ Supplier Code of Conduct, which provides comprehensive guiding principles for vendors and suppliers to comply with our expectations.

### Sustainable procurement policy & Supplier code of conduct

In our materiality assessment, vendor development emerged as one of the key material issues for APSEZ. To encourage supply chain partners to share the APSEZ commitment on sustainable business practices and integrating various environment, social and governance parameters, we have crafted a sustainable procurement policy and supplier code of conduct. These guiding principles cover the following aspects:

- Regulatory compliance
- Freely chosen employment
- Equal opportunity
- Working hours, wages and benefits
- Human trafficking
- Freedom of Association

- Health and safety
- Environment management
- Anti-corruption
- Anti-Competitiveness
- Conflict of interest
- Compliance
- Sub-contracting
- Bribery or corruption
- Conflict of interest
- Grievance redressal
- Intellectual property
- Third party representation
- Prohibition of insider trading

Our sustainable procurement policy and supplier code of conduct are a testament to our dedication to meeting globally recognised standards, which include the UN Global Compact, the fundamental conventions of the International Labor Organisation (ILO) and the United Nations' Universal Declaration of Human Rights. Furthermore, we comply with the industry's prevalent standards to utilise resources more effectively, uphold human rights, promote ethical business conduct and maintain safety and health in our operations.

Additionally, APSEZ has established key performance indicators (KPIs) and targets for supply chain management sustainability that apply to Tier 1 suppliers. These suppliers are deemed high dependency, as they are the direct vendors with whom the Company engages in large volume transactions. Our system records and verifies all suppliers' Environment, Social and Governance (ESG) parameters and we provide them with the necessary knowledge to improve their ESG metrics. We prioritise these suppliers because they provide us with critical components and services that are difficult to substitute.

To encourage suppliers to embrace sustainability-linked measures, we use procurement decisions as a means of incentivising sustainability practices. We are currently

working towards implementing a vendor ranking system that is based on sustainability metrics. Our goal is to integrate this ranking system into all procurement decisions by 2025.

By prioritising sustainability in our procurement processes, we aim to create a more sustainable future for ourselves and our partners.

KPIs	Target
1. Quality Management, Environment and Safety Certification	Achieve 100% coverage by 2025
2. Environment policy, Climate Action Plan and Water Management Policy	Achieve 100% coverage by 2025
3. Continuously monitor and improve suppliers' ESG performance	Have a system in place by 2025
4. Sustainability based vendor ranking/ scoring system and its use in the procurement decision making	Fully implement by 2025

**Supply chain due diligence**

APSEZ understands that when companies outsource production, services and business processes, they also outsource responsibilities, risks and

opportunities. While outsourcing can increase a company's flexibility, it can also create supply chain risks and dependencies that may not be immediately apparent. Therefore, it is crucial to have a formalised process

for identifying, monitoring and managing sustainable risks in the supply chain. We have a supplier ESG program in place to help us identify and address material ESG risks and impacts in the value chain.

Supplier assessment	Supplier code of conduct	Supplier onboarding and training	Monitoring and reporting	Transparency and communication
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**Best supply chain management practices**

Purchasing practices towards suppliers are continuously reviewed to ensure alignment with the Supplier Code of Conduct and to avoid potential conflicts with ESG requirements.	Suppliers are excluded from contracting if they cannot achieve minimum ESG requirements within a set timeframe.
Suppliers with better ESG performance are preferred by applying a minimum weight to ESG criteria in supplier selection and contract awarding.	Training systems for buyers and internal stakeholders on their roles in the supplier ESG program

**Supplier ESG programme**

Our supplier-focused ESG program encompasses various activities and measures designed to identify, assess and mitigate potential ESG risks, assess supplier performance and plan corrective measures. The oversight on implementation of Supplier ESG program is on the Board of Directors.

The following are the key measures pertaining to our supplier ESG programs.

**Continuous review of purchasing practices:**

APSEZ places a significant emphasis on reviewing its purchasing practices to ensure alignment with the Supplier Code of Conduct and to avoid potential conflicts with ESG requirements. This process involves periodic evaluations to assess suppliers' adherence to APSEZ's established ESG standards. By regularly reviewing and refining its purchasing practices, APSEZ

**Four levers**



aims to drive sustainable business practices within its supply chain.

**• Minimum ESG requirements and exclusion of non-compliant suppliers**

Suppliers are held accountable for meeting minimum ESG requirements set by APSEZ. These requirements encompass environmental stewardship, social responsibility and robust governance practices. Suppliers failing to achieve the specified ESG criteria within a predefined timeframe are excluded from contracting with APSEZ. This proactive approach demonstrates APSEZ's commitment to partnering with suppliers who share its sustainability objectives and actively contribute to positive environmental and social impacts.

**• Preference for suppliers with superior ESG performance**

APSEZ actively promotes suppliers with better ESG performance by assigning a minimum weight to ESG criteria during the supplier selection and contract awarding processes. This signifies APSEZ's recognition and reward for suppliers that demonstrate exemplary environmental, social, and governance practices. By prioritising suppliers who align with ESG goals, APSEZ fosters a sustainable and responsible supply chain ecosystem.

**• Training for buyers and internal stakeholders**

APSEZ acknowledges that successful implementation of its supplier ESG program relies on the collaboration and commitment of its buyers and internal stakeholders. To equip these individuals with the necessary knowledge and skills, APSEZ provides comprehensive training on their roles within the supplier ESG program. This training encompasses educating buyers and internal stakeholders on minimum ESG requirements set by APSEZ, supplier screening criteria and assessment, and the significance of sustainable procurement practices. By empowering its personnel, APSEZ ensures a consistent and informed approach to supplier ESG integration.

**Supplier's screening**

APSEZ recognises that the important first step in supply chain management is to try to understand supply chain risks and dependencies from a general, environmental and economic point of view. The Company applies supplier screening to systematically identify significant suppliers. Once a company has identified significant suppliers, it can focus its supply chain monitoring and risk management effort on suppliers with the potential to cause problems.

Vendor registration and onboarding are significant for a stable vendor eco-system that reduces risks concerning third parties, provides clarity in supplier processes and practices, minimises the incidence of fines and mitigates reputation risks.

The Company manages all its suppliers through an online portal (contractor safety management & SAP Ariba) and seeks mandatory information on the labor laws, environmental management systems, quality controls, safety performance, governance structure, business relevance, social elements, employee & company revenue details to assess and check the level of suppliers to be aligned with our supplier code of conduct driven by a sustainable procurement policy. Assessment of all suppliers who seek to provide the services, products & management service done is against set parameters on a scale of 0 to 2. Each supplier is graded based upon their revenue details.

**Aspects of supplier screening**

- Environmental
- Social
- Governance
- Business Relevance

Grade	Criteria
<b>O Grade</b>	Less than ₹25 crore
<b>B Grade</b>	Between ₹25 to ₹50 crore
<b>A Grade</b>	Greater than ₹50 crore

We evaluate all suppliers through this online portal information, which they have furnished during the onboarding and set a frequency of one year.

In addition to the information furnished in our online portals, we assess them through their site visits, collecting information through questionnaires as a part of supplier engagement survey, external agencies and publicly available databases and news. Each supplier is given a score on a scale of 0% to 100%.

**Significant supplier identification**

Our Company identifies the Significant supplier's basis upon the High-volume suppliers or

similar, Significant component suppliers or similar, non-substitutable suppliers or similar, ESG risk & Past performance in ESG area, country-specific risk, sector-specific risk, commodity-specific risk, social and governance impacts related to a country's political, social, economic, environmental, or a regulatory situation.

**Supplier risk identification matrix**

	Location	Volume of business with organisation	Significant component suppliers	Mono poly Supplier	ESG Risk score
1.	Krishnapatnam	>5cr	Yes/No	Yes/No	< 65% A&B Grade
2.	Mundra				
3.	Kattupalli				
4.	Dhamra				
5.	Gangavaram				
6.	Hazira				
7.	Dahej				
8.	Goa	>3cr			
9.	Tuna				
10.	Ennore				
11.	Dighi				
12.	ALL				
13.	AALL				

The sustainability risk matrix is a tool that APSEZ uses to assess and evaluate the sustainability risks associated with its suppliers. The matrix takes into consideration various factors such as the grades given to suppliers and their ESG (Environmental, Social and Governance) parameter evaluation scores. The aim is to categorise suppliers into different sustainability risk bands based on the level of risk they pose to the Company's sustainability goals all the high-risk suppliers in the supplier risk matrix tool are considered as significant suppliers.

**Supplier risk matrix**

Grade/Score	Above 85%	Between 60 to 85%	Below 60%
O Grade	Low risk	Low risk	Low risk
B Grade	Low risk	Medium risk	Medium risk
A Grade	Low risk	High risk	High risk

Supplier screening	UOM	FY 23
Total number of non-significant suppliers in Tier-1	Number	5073
Total number of suppliers assessed via desk assessments/on-site assessments,	Number	2378
% of significant suppliers assessed,	%	100
Number of suppliers assessed with substantial actual/potential negative impacts,	Number	19
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan,	%	100
Number of suppliers with substantial actual/potential negative impacts that were terminated,	Number	1
Total number of suppliers supported in corrective action plan implementation	Number	134
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	%	100
Total number of suppliers in capacity building programs,	Number	270

## Supplier assessment & development

### Supplier assessment

Responsible sourcing is a key component of our strategic risk management and compliance approach. To establish long-

lasting partnerships, improve the stability of our supply chain and increase investment returns, we have developed a six-step responsible sourcing procedure. This procedure starts with the onboarding of our vendors and results in a continual cycle

of evaluation, analysis and improvement with our current providers. By employing this approach for the audit and evaluation of the sustainability performance of our suppliers, we cover nearly 100% of our procurement expenditure.

### Pre-qualification and risk assessment



- Classification of suppliers across various categories to structure supplier engagement
- A dedicated team consisting of ESG, HR, and techno-commercial

professionals evaluates the pre-qualification criteria and track record of potential suppliers

### On-boarding



- Vendor onboarding is critical as reduces third-party concerns
- Suppliers are expected to acknowledge APSEZ's Supplier Code of Conduct and Sustainable Procurement Policy

- Screening of prospective suppliers/vendors based on quality parameters, availability of manpower, experience and compliance with environmental and social norms

### Preliminary audit



- APSEZ has established procurement guidelines and specifications for vendors to reduce overall environmental and social impact of projects
- Audits are conducted in partnership with third-parties to check compliance with standards and requirements

- Requirements include quality, environmental, safety and social standards

- Audits consists of On-site inspections (at production site of suppliers) and factory inspection (employees at all hierarchy)

### Risk assessment and due-diligence



- Engagement with key stakeholders to embrace safe and environment-friendly practices throughout operational life cycle
- Supplier ESG performance assessment for integrate supplier performance assessment scorecard
- Scorecard attributes to ESG

parameters critical to APSEZ (10% weightage for safety and compliance and remaining for performance including other ESG criteria)

- Suppliers are required to maintain a minimum score of 60
- Scores are updated on a monthly basis

### Corrective action and continuous improvement



- The ESG team and purchasing team examines audit results or self-assessment questionnaire results to pinpoint sustainability shortcomings.
- APSEZ engages with suppliers to develop corrective action plans to improve procurement sustainability and ensure continual improvement
- Recurring incidences of non-

compliance leads to supplier termination or non-renewal

- High-risk sustainability critical suppliers are required to provide mitigation plans and measures within an agreed timeframe, followed by regular follow-ups and performance reviews until re-assessment and re-audit

### Re-assessment/ Re-audit



- Periodic re-assessments and re-audits to monitor supplier performance progress

- Ensures continuous improvement cycle comprising evaluation, analysis, and corrective measures

APSEZ considers the identification of significant suppliers as an essential part of its supply chain awareness, which is crucial to the Company's market performance, operational effectiveness and competitive edge. These significant suppliers make up approximately 54% of the Company's procurement expenditure and are used as an early warning system for sustainability issues.

Conducting due diligence helps us identify and mitigate potential risks and negative impacts associated with our supply chains, such as reputational damage, legal liabilities and financial losses. We evaluate the importance and reliance of our suppliers on our operations and concentrates on high-risk value chains associated with industries and services that could pose sustainability risks. For instance, the Company has a significant reliance on workforce contractors, which could result in risks related to safety, human rights and labour practices.

#### Supplier development

As a responsible company, APSEZ places a great emphasis on supplier management and works closely with suppliers to improve their sustainability performance.

The Company aims to drive positive change across the value chain through training programs and joint projects.

APSEZ maintains transparency of disclosure and compliance with the policies and frameworks to navigate to foster a culture of integrity and trust. In FY 2022-23, we assessed our suppliers on pre-defined impact evaluation criteria, and it was observed that one of our suppliers failed to meet the requirements. As a testament to the effectiveness of our supplier engagement efforts and compliance requirements, we have blocklisted the vendor to eliminate any supplier related risks from the ecosystem. To deepen supplier engagement, the Company is in the process of setting up new systems. We reinforce engagement with specific vendors through various platforms, such as annual vendor meets and supplier vendor audits, to ensure business continuity. At APSEZ, we value our partnerships with suppliers and partners and believe that collaborations can enhance efficiency and deliver the best value to our customers.

We conduct regular supplier audits to ensure that our supply chain operates ethically and complies with our Supplier

Code of Conduct. This approach minimises risk for APSEZ, our suppliers and customers, which ultimately contributes to our competitive edge. In addition to conducting audits, we have also established a framework for strategic supplier relationships. This framework helps us safeguard our supply chain and identify opportunities for collaborative value creation. We understand that our vision of becoming the world's largest port utility by 2030 hinges on the strength of our partnerships and we remain committed to nurturing and developing these relationships for our mutual benefit.

As a part of our supplier management activities, we work intensively with suppliers to improve their sustainability performance. We believe that we can initiate positive change through the value chain by engaging in training programs and joint projects with our suppliers. To ensure that our suppliers are well-informed about our Supplier Code of Conduct and our supplier ESG program, we provide them with necessary information and trainings. We believe that this knowledge sharing will help our suppliers align with our sustainability goals and contribute to the overall success

of our business. These initiatives to strengthen the business relationships with suppliers comprised:

**Suraksha Samvad:** APSEZ values safety as part of our efforts, to that end we organised comprehensive sessions with key contractors at various locations. The purpose of these sessions was to make our contractors aware of safety requirements during project execution. Our team covered several topics, including the Adani safety culture, Contractor Safety Management (CSM) portal and any grievances our suppliers may have had.

Our commitment to safety extends beyond our employees and contractors and we also strive to provide a secure workplace for our suppliers. These sessions were

conducted with more than 270 of our key business partners and we plan to continue prioritising safety moving forward. At APSEZ, we believe that maintaining a safe work environment is a shared responsibility and we are dedicated to taking the necessary measures to achieve this goal.

**Sampark:** As a part of our Sampark initiative, we conducted a series of sessions in 2023 to communicate our leadership's vision on key topics such as labour practices, safety, human resources, industrial relations, human rights and sustainability. The aim of the initiative was to engage with our partners and stakeholders and ensure that they were aligned with our vision and goals.

Over 175 partners attended the

first session in March 2022, where we covered important topics such as the Supplier Code of Conduct guidelines and the importance of complying with them, our ESG goals, HR and IR requirements and safety requirements. During FY 2022-23, more than 270 business partners attended these sessions. The feedback from our partners was positive and we plan to conduct more sessions moving forward.

Through our Sampark initiative, we strive to build strong relationships with our partners and stakeholders to promote transparency and collaboration. By engaging with them and communicating our vision and goals, we can work together to achieve sustainable growth and create shared value.

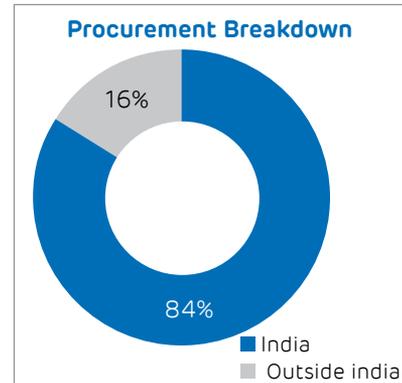
### Local procurement

APSEZ drove economic development by enhancing procurement processes for social and environmental gains. The procurement focus was not just on local development but a range of accrued benefits of lower costs, higher brand recognition and livelihood support. Local vendors generally employed hundreds unlikely to leave that city, delivering benefits for the local economy in which they were based. Utilising procurement more progressively and innovatively

facilitated the participation of small-to-medium sized enterprises (SMEs) for public procurement in support of common societal goals.

The Company's business model supported the ethos of 'What is good for the country is good for us'. APSEZ's operations were dependent on vendors to execute the goal of being an end-to-end integrated logistics player. Local procurement was a key facet of the overall sustainable supply chain strategy. The Company aimed to fulfil these aspirations without compromising standards.

Some material supplies were procured centrally and through vendors from other parts of the country.



### Supplier engagement and compliance

APSEZ has a multi-level supplier engagement process in place to ensure compliance with environmental, safety and labor regulations. During the on-boarding process, the Company collects information about suppliers' policies on climate change, human rights, carbon reduction, water conservation and environmental protection. These indicators are recorded in

the annual Vendor Engagement Survey, which helps assess the suppliers' progress on various parameters. Regular meetings and training sessions are also organised to share best practices and help suppliers align their policies with APSEZ's expectations.

Over the last three years, APSEZ has assessed 2669 suppliers using the Vendor Engagement Survey. These suppliers were evaluated on their ESG policies, compliance

with environment and safety regulations and human rights policies. They were also asked to rate their experience with the Company, including its business ethics and behavior, on-boarding and commercial processes, on-site safety, payment practices and fairness in dealing with suppliers.

In FY 2022-23, about 51% of the 1029 suppliers surveyed said they had external certification on quality management (e.g., ISO 9001/9002/9003), 29% on

health and safety (e.g., OHSAS 18001/ ISO 45001) and 23% on environment management (e.g. ISO 14001, RC 14001, EMAS). About one-third of the suppliers reported having a carbon

reduction plan and/or water conservation policy in place. Additionally, about 33% of the suppliers said that they were committed to UN guiding

principles (UNGC) for business and human rights, of which 90% conducted human rights due diligence and 85% had policies to avoid child labour and forced labour.

## Aspects evaluated in the assessment survey of FY 2022-23

### Policies, certifications and practices.

Environment/ Environment Health & Safety Policy	Environment Management System	Safety Management System	Carbon Reduction Plan
Quality Management System	Commitment to UNGC for business & human rights	Prohibition of forced labour and child labour	
Mechanism for prevention, monitoring, reporting and mitigation of human rights related issues	Water conservation practices	Human Rights due diligence process	



# Employee empowerment: Nurturing talent and inclusive work environment

## Growth with goodness - steering human capital from business lens

Material Issues	SDGs Impacted
<ul style="list-style-type: none"> <li>Human Capital development</li> <li>Human Rights</li> <li>Diversity and inclusion</li> </ul>	  
Performance Highlights	
Great Place to Work for the second year in a row	
<b>3052</b> Employee headcount	
<b>2.39%</b> Women in total workforce	<b>10%</b> Women in our Board of Directors
<b>483</b> New employee hires	<b>364</b> Employee attrition
<b>30%</b> New positions filled by internal employees	<b>₹196575</b> Average hiring cost per employee
<b>12090</b> Trainings conducted (behavioural training & E- learning)	
<b>3052</b> Employees attended the training	<b>₹15.2 crore</b> Human Capital Return on Investment
<b>₹1.72 crore</b> Training expenditure (talent management and L&D expenditure)	<b>₹5834.46 per person per year</b> Average training expense (talent management and L&D expenditure)
<b>90602</b> Total training (person-hours)	<b>30</b> Average training person-hours per employees
<b>Mandatory training on POSH, IT &amp; Cybersecurity, Risk Management, Insider Trading</b>	

## Overview

Our goal is to become the benchmark for global integrated transport utilities. We aim to achieve this by creating assets and expanding our capacity. Our focus on asset creation and capacity expansion is geared towards improving connectivity and making it easier for people to move goods and services across the globe.

At the same time, we are also committed to fostering

connectivity within our organisation by promoting a people-first approach. We strive to create an inclusive work environment that values diversity in geography, gender and age and ensures continuous ownership and buy-in from business leaders. Through this approach, we aim to build a strong and connected workforce that is equipped to drive our growth and help us achieve our aspirational global targets.

By working closely with our HR function and business leaders, we can develop HR interventions that enhance connectivity and enable us to become a responsible business and employer of choice. We firmly believe that Capability Building, Capacity Management, HR Digitisation and People Analytics are key foundational pillars that can help us achieve our vision of connecting people and businesses across the globe

Capability management

Capacity building

HR digitisation

People analytics

**The Human Capital strategy designed around the above 4 foundational pillars viz. capability building, capacity management, HR digitisation and people analytics needs to be synchronised with the overall business plan of APSEZ. To succeed in this journey, serious ownership and accountability is demanded from our business leaders. This can bring a paradigm shift in human capital management thus leading APSEZ to not only achieve but exceed its strategic action plan.**

## Capacity management

Capacity management is crucial to ensure that we have a ready talent pool to meet our growing needs as we scale up. To achieve this, we focus on strategic workforce planning and budgeting, robust talent acquisition and a strong employer value proposition. We are implementing an asset-based manpower budgeting model to work on strategic workforce planning and budgeting.

APSEZ is committed to building a diverse and inclusive workforce that welcomes talent from all backgrounds. Our capacity management approach is centred around attracting, retaining and developing professionals with the desired competencies and cultural fitment, regardless of age, gender, management level, race, ethnicity, nationality, country of origin, or cultural background.

To ensure that our hiring managers are equipped with the necessary skills to assess candidates effectively, all hiring managers undergo interviewing capability training. Every

year, we developed a pool of executives across different management levels who are skilled in conducting structured interviews to assess job-related competencies, workplace behaviours and motivation for the job and organisation. For FY 2022-23, we trained 24 employees for 192 person-hours, in the art of interviewing. The intent is to attract specialised talent with relevant experience and challenges like our port and logistics businesses; we used various sourcing channels like our website career portal, social media and recruitment consultancies to attract candidates from a large pool.

Candidates are assessed using a psychometric tool anchored around the Adani Behavioural Competency Framework (ABCF) to evaluate personality traits, drivers, potential derailers and agility. For senior management positions, we conduct extensive Senior Management Due Diligence (SMDD) checks to evaluate background, credibility, feedback

and market reputation.

*Read further in the Talent attraction and Retention section.*

Additionally, we recognise the importance of talent assimilation and our induction program that includes facilitating the interface of new hires with senior management professionals to build internal networks and understand our organisational culture. We also assign a Sahyogia buddy to every new hire to provide support during the settling-in phase and feedback is provided at intervals of 7, 30, 60 and 120 days to ensure their smooth integration into our organisation.

In FY 2022-23, we decided to transform the hiring process by leveraging the latest technologies to streamline and automate various recruitment processes. With the rapid pace of digitisation in business and operational activities, it has become imperative for our Human Resources function to embrace digital transformation to keep up with the changing times.

## Capacity management

Age Group	FY 20		FY 21		FY 22		FY 23	
	Male	Female	Male	Female	Male	Female	Male	Female
<= 30 years	464	10	359	13	346	11	336	23
31-50 years	1816	12	2015	27	2031	27	2215	46
> 50 years	294	2	316	3	318	3	428	4
<b>Total</b>	<b>2574</b>	<b>24</b>	<b>2690</b>	<b>43</b>	<b>2695</b>	<b>41</b>	<b>2979</b>	<b>73</b>

Management Position	FY 20		FY 21		FY 22		FY 23	
	Male	Female	Male	Female	Male	Female	Male	Female
Senior	80	0	79	0	131	0	145	1
Middle*	1232	13	1429	17	488	5	587	6
Junior**	1262	11	1392	26	2076	36	2247	66
<b>Total</b>	<b>2574</b>	<b>24</b>	<b>2900</b>	<b>43</b>	<b>2695</b>	<b>41</b>	<b>2979</b>	<b>73</b>

\*Senior numbers include Top Management and Senior Management

\*\*Junior numbers include Junior Management and Supervisory

New hires: Age group and gender split	< 30 years		30-50 years		> 50 years		Grand Total
	Male	Female	Male	Female	Male	Female	
Top Management	0	0	2	0	2	0	4
Senior Management	0	0	12	0	8	0	20
Middle Management	4	0	95	3	10	0	112
Junior Management	125	16	193	7	5	0	346
Supervisory/ Technician	0	0	0	0	1	0	1
<b>Total</b>	<b>129</b>	<b>16</b>	<b>302</b>	<b>10</b>	<b>26</b>	<b>0</b>	<b>483</b>

New hires: Regions in India	Numbers
North	52
Central	73
East	67
West	207
South	80
<b>Total</b>	<b>483</b>

Workforce turnover: Age split	FY 20			FY 21			FY 22			FY 23		
	Involuntary	Voluntary	Total									
< 30 years	1	28	29	1	38	39	28	172	201	10	75	85
30-50 years	0	118	118	1	154	155	29	99	127	38	200	238
> 50 years	2	51	53	15	46	61	39	23	62	34	7	41
<b>Total</b>	<b>3</b>	<b>197</b>	<b>200</b>	<b>17</b>	<b>238</b>	<b>255</b>	<b>96</b>	<b>294</b>	<b>390</b>	<b>82</b>	<b>282</b>	<b>364</b>

Workforce turnover: Management positions	FY 20			FY 21			FY 22			FY 23		
	Involuntary	Voluntary	Total									
Supervisory	0	13	13	3	34	37	1	0	1	0	22	22
Junior Management	0	119	119	11	138	149	57	208	265	41	199	240
Middle Management	2	45	47	1	47	48	28	58	86	13	70	83
Senior Management	0	15	15	2	18	20	5	8	13	1	18	19
Top Management	1	5	6	0	1	1	0	0	0	0	0	0
Total	3	197	200	17	238	255	96	294	390	55	309	364

Workforce Turnover: Gender Split	FY 20			FY 21			FY22			FY 23		
	Involuntary	Voluntary	Total									
Female	1	4	5	0	9	9	0	6	6	1	9	10
Male	2	193	195	17	229	246	96	288	384	54	300	354
Total	3	197	200	17	238	255	96	294	390	55	309	364

### Capability building

Capability building in the ports and logistics sector is more than just providing traditional training to employees. It requires a fundamental change in the way employees operate and excel in their roles. To establish an organisation that can thrive in an increasingly complex business environment, a capability model has been developed that is aligned with the industry's needs. This model focuses on cultivating internal talent and recruiting skilled individuals externally, with a global perspective on growth and key factors such as sustainability, governance, digitisation, globalisation and inclusivity. The model provides a clear career development path for employees, including opportunities for cross-functional and multi-geographical exposure.

Continuous business interventions are necessary to develop a participative capability model that meets the industry's aspirations. Key positions are mapped against the required skill sets and benchmarking and implementing competitive compensation policies and learning and

development interventions are crucial. APSEZ recognises that its employees are its greatest asset and is committed to creating an inspiring workplace that nurtures their holistic capabilities and facilitates growth. The organisation offers a range of programs and practices, such as talent management, learning and development, performance management, job rotations, leadership development and more, to promote a growth mindset and unlock human potential.

*Read further in talent attraction and retention section.*

### HR digitisation

At APSEZ, HR digitisation is a comprehensive approach that involves leveraging and adopting the latest SMAC technologies (Social, Mobile, Analytics and Cloud). It includes, but is not limited to, automating its systems & processes, without losing human touch.

Initiatives like going paperless through e-portals have proven to be extremely efficient and a stepping stone towards large-scale digital revolution in HR practices. Introduction of

Recruitment Cloud has been a game-changer, enabling us to improve the quality, speed and cost of hire while ensuring better governance and selection. With ever-increasing recruitment, tools like AI (Artificial Intelligence) enabled screening, shortlisting and interviews are the next steps towards hiring talent in larger number without compromising on quality. Through this cloud-based automated system, we have been able to collect quality data, which can be further analysed through AI/ML engines and fed back into the system, creating a cyclic close looped and self-correcting integrated HR eco-system.

The focus of digitisation in HR is on creating an integrated HR value chain to provide a better employee experience, engagement and augmenting organisational success by continually upgrading in an agile way. Digitisation in HR is not just about transforming the systems and processes, it is also about transforming the mindset of people. A buy-in from business will help in a faster adoption of the world's best digitisation practices.

**People analytics**

People analytics has dramatically improved the way APSEZ identifies, attracts, develops and retains talent. This has led to automation, reduced biases, improved employee experiences and enhanced HR processes. A culture of data-driven decision-making has enabled us to fulfil business demands and growth strategies in a diverse workforce.

Our focus is on bringing unified HR metrics across business units and designing data collection and analytical practices accordingly. By leveraging data and analytics, we make more informed HR decisions, drive better business outcomes and improve overall employee experiences.

**Great Place to Work HATTRICK**

Adani Ports and Special Economic Zone (APSEZ) was recognised as a Great Place to Work by Great Place to Work® Institute, India for the year 2023-24. Based on the assessment carried out, APSEZ was adjudged a High-Trust, High-Performance Culture™ organisation for the third year in a row. We scored a Trust Index Grand Mean of 79% (up by 6% from last year). Trust Index Grand Mean is the score of employees that shared a positive response (rated 4 or 5 on a 5-point scale) to the 59 statements of the survey.

People and Culture, the most valuable assets of APSEZ, achieved aspirational goals YoY and consistently surpassed their standards. Such a performance and success over a long period is the result of strong underlying team strengths.

**The key features of people analytics:**

 <b>Predictive modeling</b>	Analysing data on attrition rates and employee performance to predict future workforce trends
 <b>Workforce planning</b>	Optimising recruitment, talent acquisition, upskilling and talent mobility using People Analytics to improve overall employee lifecycle process and retain top talent
 <b>Total rewards optimisation</b>	Developing effective and equitable total rewards frameworks using data on compensation and benefits
 <b>Employee engagement assessment</b>	Identifying factors contributing to employee satisfaction and retention using People Analytics and developing engagement action plans for each team
 <b>Live Interactive HR KPI Dashboards</b>	Monitoring and measuring various HR KPIs, including headcount, recruitment cost analysis, hire analysis, attrition, separation, demographic and diversity analysis using internal BI dashboards with state-of-the-art analysis tools

**Talent attraction and retention**

In today's competitive environment, attracting and retaining talent has become a challenge, especially with our exponential growth in the ports and logistics sectors. Therefore,

we inculcated the idea of building talent into our day-to-day management practices, where our business leaders take the ownership in nurturing talent in their respective areas. To build a cadre of domain experts in each

function across the organisation, it is important to have a strong bottom of the talent pyramid.

To keep pace with rapidly changing business models, our business leaders focus on developing Graduate Engineering

Trainees, Management Trainees, Post Graduate Engineering Trainees and Adani Accelerated Leadership Program (AALP) participants. We designed a career development path for young talent with a continuous focus on cross-functional and multi-geographical exposure; we

monitor their progress to ensure they become competent leaders.

The ports and logistics industry, is constantly evolving and facing new challenges, including technological advancements and changing customer demands, which require skilled and talented

professionals. Therefore, APSEZ takes a strategic approach to talent management that focuses on these key parameters, essential to ensure that the organisation can attract and retain the best talent to achieve its goals and objectives.



### Positive and inclusive work culture

Positive and inclusive work culture include promoting diversity and equity, creating a sense of

belonging among employees. With this approach, APSEZ continues to prioritise diversity in its workforce. Despite challenges in attracting and retaining diverse talent due to the nature of its operations, we

remain committed to recruiting candidates regardless of gender, age, disability, ethnicity, sexual orientation, family status, or religious beliefs.

### Diverse group of employees

Target	5% women in the workforce by 2024-25
Performance	2.39% women in workforce in FY 2022-23

To build diversity in all forms, APSEZ has implemented an extensive Diversity & Inclusion (D&I) program, which is encouraged and leveraged

throughout the Company. APSEZ is an equal opportunity employer and provides a welcoming environment for people from all backgrounds, experiences and perspectives. The Company has established DE&I guidelines and guidelines for the employment of differently-abled individuals. The Diversity, Equity & Inclusion Council established in FY 2021-22 tracks progress and implements initiatives related to diversity and inclusion. This Council

includes members from senior management who meet regularly to discuss and identify action areas for pursuing the D&I agenda. Throughout the year, sensitisation programs were conducted on promoting diversity, inclusion and equity in the workplace for all people managers. During the reporting period, the gender gap decreased by 0.93% and 99.7% of the 483 new recruits were added to the managerial team.

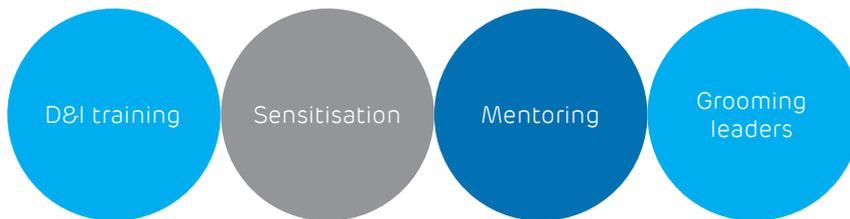
Our female workforce	FY 23		FY 22	
	%	Number	%	Number
Share of women in our total workforce (as a % of total workforce)	2.39	73	1.5	41
All management positions, including junior, middle and top management (as % of total management positions)	2.26	69	1.66	37
Women in junior management positions, i.e., first level of management (as % of total junior management positions)	2.03	62	1.77	32
Women in top management positions	0	0	0	0
Women in management positions in revenue-generating functions as % of all such managers (i.e., excluding support functions such as HR, IT, Legal, etc)	0.16	5	0.54	2
Women in STEM-related positions (as % of total STEM positions)	2.23	68	1.23	34

Workforce Breakdown: Ethnicity/ Management Position	FY 23				FY 22			
	Asian (Indian)	British	American	Australian	Asian (Indian)	British	American	Australian
Junior*	1253	0	0	0	2112	0	0	0
Medium	1716	0	0	0	492			1
Senior**	81	1	1	0	127	1	2	1
<b>Total</b>	<b>3050</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2731</b>	<b>1</b>	<b>2</b>	<b>2</b>

\*Junior Management numbers include JMC and SUP executives

\*\*Senior Management numbers include TMC and SMC executives

APSEZ undertakes various initiatives to promote workplace diversity. These include conducting DE&I training by identifying training needs and organising sensitisation sessions for Junior, Middle and Senior Management Cadre executives under the Workplace Diversity, Equity and Inclusion in Action program.



We organise sensitisation sessions for the management cadre to leverage the potential of a diverse workforce and promote inclusivity.

Various mentoring programs were initiated to develop executives for leadership roles, with mentees being selected from diverse backgrounds based on factors such as nationality, caste, creed, gender, age, religious beliefs, family status, perspectives and other ideologies.

Besides, APSEZ groomed leaders by identifying critical and capable employees from diverse

backgrounds for mentoring and career development. Employees were provided opportunities to grow and learn based on their demonstrated contribution and potential. Through this mentoring engagement, we aim to foster an environment where employees from diverse backgrounds can be nurtured, mentored and coached to become leaders. Over the years, we welcomed and assimilated employees to be coached and mentored, regardless of differences in perspectives and ideologies.

### Opportunities for career growth and development

In today's competitive job market, the significance of career growth and development cannot be overstated. APSEZ recognises the importance of attracting and retaining top talent and has implemented various strategies to achieve this goal. These include creating a positive work culture, providing opportunities for career growth and development and utilising data-driven insights through people analytics.



APSEZ aims to prioritise growth and expansion in the coming years and recognises the importance of a strong internal talent pipeline to achieve this.

To this end, APSEZ developed the Parivartan Cadre scheme to develop individual leadership capabilities and fill talent gaps. Recently, APSEZ completed the Induction & Assimilation Program of eight ex-Armed Forces recruits who have undergone extensive training and certification programs from premium institutes like IIMs, IIFT and NITIE.

These recruits bring exceptional problem-solving skills, determination and business acumen, making them valuable additions to the key roles in business operations at APSEZ's port terminals and Inland Container Depots.

APSEZ launched the EDGE Mission - Communities of Interest program, which constitutes functionally aligned groups at every site/BU. These groups hold regular knowledge sharing sessions on topics relevant to their work areas, led by HR SPoCs who coordinate with functional teams for execution.

Data points were collected monthly from HR SPoCs to analyse the quantitative aspects of the program's expansion, while a dip-stick survey in November 2022 assessed the qualitative effectiveness of the program. Feedback from employees who attended EDGE sessions was overwhelmingly positive.

The program expanded to distinct Cols across the organisation, with sessions held from July to December 2022. Participation in EDGE Mission has benefited employees by enhancing their functional/business knowledge, improving their articulation and presentation skills and exposing them to different perspectives.

## Employee development programmes

APSEZ offers various employee development programs that aim to enhance the skills and knowledge of its employees. These programs include technical and behavioural training, leadership development and mentoring opportunities to support the professional growth of employees.

We implemented the ENRICH mission to enhance the capabilities of our employees. This initiative aims to establish a mutual understanding of the increased expectations between promoted employees and their respective reporting managers. It also identifies capability building needs to effectively handle a new set of responsibilities. To achieve this, all candidates for promotion are required to undergo KF4D assessments. The results of these assessments are interpreted in a session for promoted employees, where their strengths and development areas are identified. HR then assists the reporting managers and promoted employees in creating 70-20-10

developmental plans. The ENRICH mission provides structure and direction to promoted employees, enabling them to quickly transition into their new roles and effectively manage additional responsibilities. 200 (6.6%) employees have Individual Development Plans (IDPs) prepared for them under this program.

Our organisation developed an internal portal called Talent XPress to facilitate talent migration between different locations, functions and/or operating businesses. This portal helps in enhancing the competencies, know-how and application abilities of employees. The HR lead of a particular location or business unit can upload the profile details of employees who are ready-to-redeploy on the Talent XPress platform. Other HR leads in different locations or business units can see the profile details of these employees and shortlist and evaluate them for their open requirements. This process helps employees in meeting their career aspirations

through a transparent job rotation process and facilitates a better connection among HR leads to identify internal talent available for suitable opportunities.

## Recognition and rewards for top performance

Recognition and rewards for high performance are crucial to motivate employees and enhance job satisfaction. At APSEZ, we established a Performance Management System that aligns individual employee goals with organisational goals, to acknowledge and appreciate employees who consistently exceed expectations and contribute to the success of the Company.

At our organisation, performance evaluations are conducted twice a year by reporting managers and higher department reviewers, utilising a multi-level appraisal process to ensure transparency and fairness. Mid-term reviews assess progress and training needs, with self-evaluation followed by a review by the reporting manager on

various factors such as results, approach and competencies. All performance-related aspects, as well as employee wellbeing, are covered in feedback sessions.

A four-rating scale is used to differentiate between top, strong, good and low performers and the process's effectiveness is measured by a third-party audit, which promotes Organisational Citizenship Behavior and productivity. Transparent promotions are also an important element of performance management, contributing to increased employee confidence

and dedication. All candidates for promotion are subject to a variety of evaluation methods, such as:

- Psychometric behavioural assessment (O3 (Deputy manager) to E3 (DGM))
- Psychometric behavioural assessment, situation judgement test and case study (E4 (AGM) & above)
- BEI and role play (AVP & above)
- Leadership interaction (AGM, GM & AVP) and APEX interaction (VP & above)
- Executives in O2 and below grades nominated were promoted

based on recommendations and review by respective site head/ BU CEO, functional heads-HO.

The outcomes of evaluations are reviewed to consider endorsing individuals for advancement. This is based on a blend of their scores against the success standards needed for the position and the availability of openings in higher-ranking positions (or increased responsibilities in their current role). As a result, individuals receive their appraisal reports and the feedback is explained through sessions.

### Performance and career development reviews: Workforce analysis

Category	FY 23			FY 22		
	Total (A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/C)
<b>Employees</b>						
Male	2525	2428	96*	2188	2083	95*
Female	69	69	100	37	30	81*
<b>Total</b>	<b>2594</b>	<b>2497</b>	<b>96*</b>	<b>2225</b>	<b>2113</b>	<b>95*</b>
<b>Workers</b>						
Male	454	454	100	507	505	99.6*
Female	4	4	100	4	4	100
<b>Total</b>	<b>458</b>	<b>458</b>	<b>100</b>	<b>511</b>	<b>509</b>	<b>100</b>

\*Rest of the employees were not eligible for performance appraisal as per applicable service rules of the Company

To ensure successful implementation of the Talent Assurance agenda, it is crucial to establish an uninterrupted leadership talent pipeline, invest in promising resources and integrate them into a readily deployable pool to support the organisation's growth. This involves identifying talented individuals based on specific criteria, engaging with them and nurturing their development for mutual benefit.

APSEZ employees consistently go above and beyond their Key Result Areas (KRA) to fulfil their duties. The Xceed Quarterly Reward Program is a special initiative designed to recognise and reward such outstanding performances in a timely manner. The program's objective is to

identify and reward individuals who contribute to achieving the organisation's goals, enhance their workplace engagement and promote long-term growth opportunities. Xceed is a variable reward program that aims to boost employee performance at the team and business unit levels. The program's design was developed in collaboration with key stakeholders and requires employees to set their quarterly targets with their reporting managers before each quarter begins. Employee rewards are based on individual and business performance. The initiative aims to streamline the review and feedback process, establish clear expectations and promote productivity and morale. APSEZ recognises the significance of

maximising human potential and has a real-time analysis system in place to make necessary adjustments as needed.

The Iceberg program is a three-tier intervention designed to address APSEZ's talent needs systematically, consistently and over the long-term. It requires the involvement and ownership of executives responsible for outcomes, considering inclusion and exclusion in a large ecosystem and being sensitive to the impact of such interventions. The name, Iceberg, represents discovering and enhancing the hidden abilities and aspirations of identified individuals; 123 (4%) individuals have been benefited from the Iceberg program.

Identification and selection of talent for inclusion in Iceberg is based on the following criteria:



The programme is aimed at identifying and developing differentiated leadership talent across levels at the corporate and operating locations. Employees exhibiting favourable leadership qualities and cultural compatibility are identified and groomed to assume more senior positions within the organisation and group. Advancing through progressively higher levels of conceptual understanding and tackling complex tasks through diverse work experiences are the primary methods in developing internal talent. The Iceberg intervention is structured across

three tiers as follows:

- **Tier-1**, individuals are identified and developed for leadership positions in businesses & corporate functions. Time periods may vary for different individuals based on their career stage. Ownership is with CEO APSEZ & Head-HR level. Positions comprising CEOs of APSEZ Businesses at the corporate level and corporate function heads are covered in T1
- **Tier-2**, individuals are identified and developed for CEO & COO positions at operating the ports, direct reports of CEO - Logistics,

direct reports of CEO – Dredging and direct reports of Corporate. Function Heads. Ownership will be with CEO-Ports/ CEO-Logistics / CEO-Dredging/ concerned Corporate Function Head and Head-HR. T2 will be a relatively larger pool compared to T1 to provide a funnel over a longer duration.

- **Tier-3**, individuals are identified and developed for critical positions at N-1 & N-2 level of T2 positions. Ownership will be with CEO / Business Head of operating locations business units and Head.

## Phases of Iceberg intervention

 <p><b>Discovery</b></p>	<p>Identification from a pool of resources with the application of online psychometric tools based on identified leadership dimensions and culture &amp; values. Other inputs related to performance and feedback are incorporated.</p>
 <p><b>Development Planning</b></p>	<p>Creating a customised individual leadership journey based on psychometric assessment, feedback, and discussions with relevant stakeholders. Target role and timelines to be an essential element of the plan.</p>
 <p><b>Leadership Journey</b></p>	<p>Rigour and intensity will be the hallmark of the development journey. Diverse learning interventions will be deployed to focus upon three building blocks of development: 1. Know-How, 2. Leadership attributes 3. Culture &amp; mindset. Identified development actions will be carried by internal leaders with their ownership.</p>

After a careful consideration of various organisations and options, M/s Korn Ferry was chosen as the knowledge partner for the Discovery and Development phases of the intervention. M/s TV Rao Learning Systems will assist in conducting a 360-degree feedback exercise to ensure comprehensive development. Participants are expected to undergo each development stage with dedication and accuracy to prepare for future responsibilities. The intervention is designed to provide inclusion opportunities once a year, incorporating opportunities for experimentation, learning and practical experience.

#### **Performance-linked**

**compensation:** The Company encouraged talent through a variable compensation structure across all management levels. The employees in O1 to E1 grades have a 10% CTC component as a performance-based incentive; employees in E2 to E4 grades have a 15% of CTC component. This component is paid as per individual ratings on a 4-point scale of the Performance Management System. For GM and above, performance-based pay are based on organisational and individual performance. Performance on ESG parameters are also a factor that determined variable rewards of GM-and above employees. Qualitative adjustments on account of ESG and safety are incorporated as a part of this exercise. The Company's Performance Pay was determined by the summation of two factors - Individual Performance (70%) comprised individual goals; ESG performance and organisation performance (30%); business goals and financial performance with a weightage of revenue (50%), EBITDA (25%) and RoCE (25%).

#### **ESG-linked performance:**

Executive compensation is tied to safety and ESG performance, including performance on climate change metrics. Further, the compensation is also linked to specific targets on financial and operational performance. Specific functions comprised compensation linked to other components like IT, customer satisfaction etc. as well. In case of a fatality or safety incident, the performance incentive is materially impacted.

**Focus on equal pay at APSEZ:** The Company is an equal opportunity organisation, following the same performance evaluation and compensation criteria for men and women. The Company follows a strict equal pay for men and women according to the roles and responsibilities. We do external parity and internal equity checks and follow the trend to align with the objective of equal gender pay. The Company checked its compensation structure with peers to provide a competitive salary.

## **Types of performance appraisal**

### **1. Management by objectives**

**(MBO):** The manager and employee agree on specific performance goals and then develop a plan to reach there. Having a say in goal setting and action plans encourages participation and commitment among employees, as well as aligning objectives across the organisation. It is designed to align objectives throughout an organisation and boost employee participation and commitment. Organisational priorities and objectives are discussed & finalised every year as a part of the strategy action planning process. To ensure alignment of collective efforts with business imperatives &

goals, organisational targets are cascaded to different businesses & functions to measurable KPIs & projects. Structured cascade is meant to ensure that desired results are achieved, and outcomes are measured against a plan. Cascading goals flow from the top to down. It starts with the organisation's objectives and ends with specific goals for individual team members. This goal structure makes it easy for individuals to understand their roles. It also shows individuals how their performance aligns with the team and organisational goals.

#### **Purpose:**

- Set Individual Goals (KRAs) aligned to the Company's strategy & ABP as per a structured cascade.
- Measure and track progress towards these goals on a periodic basis in pursuance of achievement of goals.
- Discuss with concerned Reporting Manager(s) to seek guidance and help, well in time.
- Seek timely enablement as required, from the organisation for achievement the of goals.

#### **The process involves:**

- Defining Organisational Goals - determine or revise organisational objectives for the entire company. Setting objectives is not only critical to the success of any company, but it also serves a variety of purposes.
- Translate the organisational objectives to employees.
- Stimulate the participation of employees in setting individual objectives. After the organisation's objectives are shared with employees from the top to the bottom, employees should be encouraged to help set their own objectives to achieve these larger organisational objectives.

This gives employees greater motivation since they have a greater empowerment.

- Monitor the progress of employees. The key component of the objectives are that they are measurable for employees and managers to determine how well they are met. Though the management by objectives approach is necessary for increasing the effectiveness of managers, it is equally essential for monitoring the performance and progress of each employee in the organisation.
- Evaluate and reward employee progress. This step includes honest feedback on what was achieved and not achieved for each employee.

MBO uses a set of quantifiable or objective standards against which to measure the performance of a company and its employees. For the PMS process, each stakeholder has the responsibility to ensure objective planning following the 'SMART' principle - SMART (specific, measurable, acceptable, realistic, time-bound).

Each employee should have KRAs and KPIs (measures) that are linked directly to the organisation's strategy.

#### Characteristics of KRA

- KRA must be representative of the role of the employee.
- KRAs of the employee need to be aligned with that of one's immediate manager/section/function.
- KRAs of the employee may or may not be same as that of his immediate manager linked to the objectives of the role.
- Many a time transactional activities like billing etc. may not be linked to the overall purpose or objectives of a role. In such cases,

they need not to be mentioned as KRAs.

- Alternatively, these can be included as action plans
- KRA focus on 'What am I supposed to achieve as part of my role?'

#### Characteristics of KPI's

- KPI (Key Performance Indicators) captures the success parameters or measurement matrices of the specific KRAs.
- The catch phrase is 'How will I measure success or failure of these KRAs?'
- A specific KRA can have more than one KPI.
- It is important that KPIs are objective and measurable.

#### 2. Team-based performance appraisal:

Organisations rely on teams of people to accomplish tasks. Evaluate employees on both their individual contributions as well as their team-oriented behaviours. Team performance evaluation assess the performance of teamwork on organisational performance.

#### 3. Agile conversations:

Performance review conversations are a key element of performance management, but they are not isolated events that only happen at the year-end. Mid-year reviews are conducted where in employees fill in the mid-year which is viewable by the manager. A mid-year review is a biannual review to have a dialogue with employees on their performance. Mid-year reviews help employees identify knowledge gaps, revisit their development goals, and change course in a timely manner if needed. Managers, to have a dialogue on performance-based on the KRA sheet, highlight achievements on the basis of KRAs. They share assessment

and feedback and focus on supporting the member rather than evaluating. The immediate reporting officer is responsible for supporting employees in achieving set targets, rating performance, and giving feedback.

#### Frequency of appraisal: Annual, year-end appraisal (self-appraisal + dialogue)

- Employees to fill year-end self-assessment (only qualitative comments & ratings) form.
- The employee can also mention special contributions during the year.
- Manager holds a performance dialogue (self-assessment dialogue) with the employee.
- Managers list observations following the self-assessment dialogues

Appraisal conversations provide an opportunity for employees to receive feedback on their performance over the past year. This feedback can help employees understand their strengths and areas for improvement, as well as receive guidance on how to develop their skills and improve their performance. Appraisal conversations also provide an opportunity to set goals for the upcoming year. This helps employees understand what is expected of them and provides a roadmap for achieving their objectives.

**'Anytime Anyone Feedback':** One can use Anytime Feedback to request feedback about oneself or give feedback about another employee across the organisation. As the amount of feedback increases, it provides managers and employees insights into their work from the people they work closely with.

## Competitive compensation and benefits

APSEZ values its employees and aims to offer them a satisfying and gratifying career journey. To ensure this, we provide our employees with a comprehensive compensation and benefits package. Our package includes competitive salaries as per industry standards, incentives based on performance, health insurance coverage, retirement plans and various other benefits.

Management Position	Male (base salary) (in lakh)	Female (base salary) (in lakh)	Male (base salary + other cash incentives) (in lakh)	Female (base salary + other cash incentives) (in lakh)
Executive Level	82.78	56.04	112.16	70.05
Management Level	13.82	8.71	14.56	9.35
Non-Management Level	6.85	3.1	7.12	3.1

**Note:** We conduct external parity and internal equity check and follow the market trend.

Executive includes: TMC.

Management includes: JMC, MMC & SMC

Non-Management includes SUP.

## Training & development

APSEZ emphasises a learning culture of 'Learn New & Apply', where employees adopt new technologies and platforms in L&D and use gained knowledge in day-to-day work requirements. The intent is to position capability building as a unique value proposition for individuals and the organisation, strengthening the ability to attract, retain and develop high-quality talent in sync with business requirements. The objectives of this segment are:

- Maximise net asset value of human resources within the organisation through enhanced aggregate abilities.

- Develop capabilities at individual, team and organisational levels aligned with the current and future needs.

- Availability of robust executive pool ready for mid and senior positions, multi location / function exposure, fully developed & contemporary knowhow.

- Enhanced focus on leadership capabilities together with domain expertise to grow wholesome leaders.

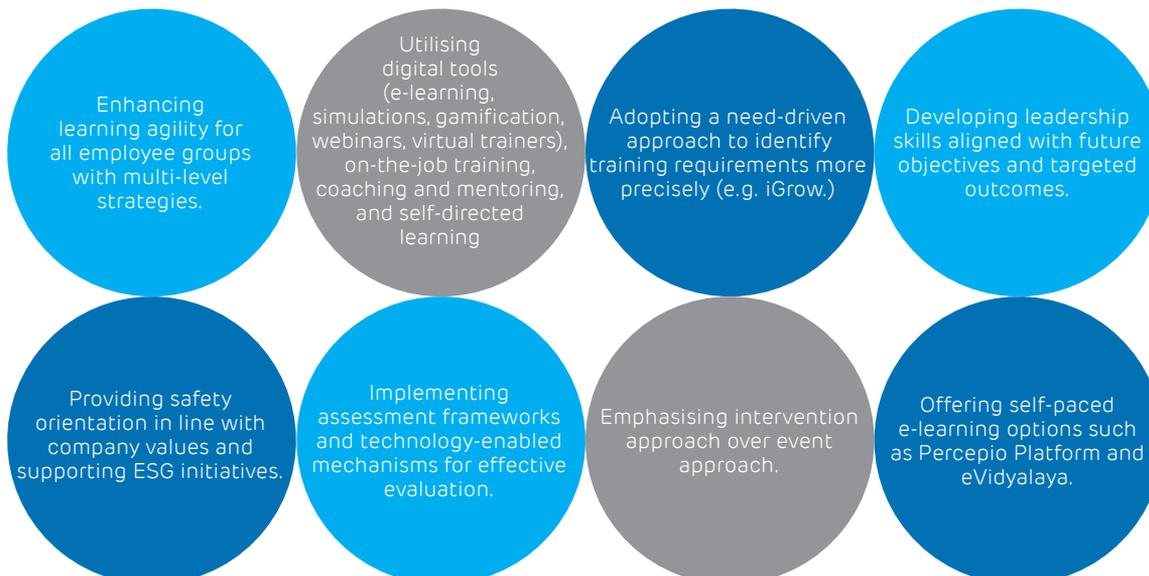
- Culturally aligned to group ethos.

The capability and leadership development program involves the individual having a significant say in the process and being responsible for their own learning and growth.

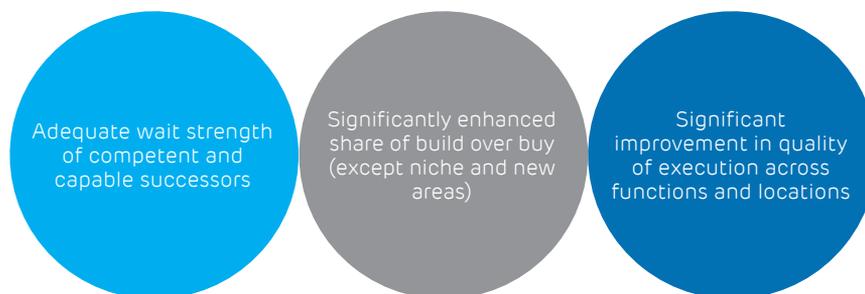
Managers and the organisation facilitate this process by providing enabling conditions and customised interventions during career transitions. The program is aligned with career progression and talent management frameworks, creating shared responsibility and enriching the succession pool.

Relevant HR processes generate data points used to determine interventions at individual and team levels. The Capability Building and Leadership Development framework and Adani Behavioural Competency Framework are used to meet growth requirements and ensure talent development.

## Focus areas



## Qualitative descriptors of success



APSEZ invests in its employees to prevent large-scale obsolescence and redundancies and to create challenging assignments that foster learning and accelerate talent development. The Company's Capability Building and Leadership Development framework, along with the Adani Behavioural Competency Framework, ensures talent development in alignment with growth requirements, providing avenues for employees to explore and grow their full potential. Through its knowledge sharing and mentoring program, APSEZ effectively transfers knowledge and expertise from senior experienced leaders to mentees, enhancing cross-functional and business knowledge while grooming functional managers into well-rounded business leaders.

### Adani Accelerated Leadership Program (AALP)

The Adani Accelerated Leadership Program (AALP) is a structured and continuous leadership development program aimed at building the next generation of leaders. AALPs are recruited from premier institutes and are provided with numerous challenges and opportunities early on in their careers to help them achieve a fulfilling and rewarding career trajectory within the organisation. Adani Ports & Logistics offers a platform for individuals to outshine and build a holistic career.

Currently, 15 AALPs representing top B-Schools such as ISB, IIM, XLRI, TISS and SIBM are undergoing through the leadership program. They were selected after a rigorous process which included psychometric and analytical assessments, group tasks and personal interviews. After induction, these AALPs were placed in key roles directly contributing to the value chain in areas such as strategy, business development, ports operations and PMO. The program provides exposure to all aspects of the business and job rotation is an integral part of the program.

### Knowledge Sharing & Mentoring Program

The Knowledge Sharing & Mentoring program at APSEZ aims to transfer knowledge effectively, enhance cross-functional and business knowledge of mentees and groom functional managers into well-rounded business leaders. The program lasts for 18-24 months and follows the 70:20:10 model of development. Mentees are enrolled based on their learning agility, ambition to grow and commitment to the organisation. A suitable developmental plan is prepared for each mentee and a senior professional is appointed as a mentor. The intervention helps to create a leadership pipeline for the organisation and high-performing employees mentored through this

program are placed in enhanced roles with greater responsibilities as per business needs.

### Leadership Transition Program

Similarly, to develop future COOs at operating locations, APSEZ has implemented the Leadership Transition program, which identifies high-performing senior management professionals and provides them with holistic grooming for COO roles within 2-3 years. The leadership team is responsible for developing and placing these individuals into target roles and formal assessments are conducted after each assignment to ensure readiness and contributions to the organisation. This program aligns with the aspirations of high-performing individuals to grow as Operations and Business leaders.

To provide transparency on available job vacancies within the organisation, APSEZ has created a Careers Within portal on Sharepoint. This portal enables location/BU HR SPoCs to upload details of their internal vacancies, which are then published across the organisation. Employees can check these postings and apply for jobs that align with their aspirations and abilities, allowing for movement within the organisation. The Careers Within portal successfully filled 42 job postings.

Hires	FY 20	FY 21	FY 22	FY 23
Total new hires	323	121	325	483
Number of positions filled by internal candidates	202	199	232	207
Open positions filled by internal candidates	82%	44.23%	42%	30%
Average hiring cost (₹)	-	₹ 90643	₹ 176615	₹ 196575

APSEZ considers Talent Mobility as an important aspect for developing competent managers. The program focuses on providing diverse experiences to officers, junior and middle management employees to help them become well-rounded managers. Employees who have spent more than 4 years in the same role and location are eligible for this program. APSEZ endeavours to offer job rotations to eligible employees in different locations and roles. As a part of this initiative, 112 employees out of 575 were provided a new role and/or work location to enhance their skills. Moreover, we have a distinctive program aimed at developing the internal high potential talent,

known as North Star. The program is designed to prepare managers for their next role and enhance their managerial competencies such as accountability, agility, decision making, proactive approach and dealing with ambiguity. This ten-month program is conducted in partnership with EMERITUS Institute of Management, Singapore, which is a consortium of three internationally reputed business schools: Columbia Business School, TUCK school of Business and MIT Sloan. The program's schedule is provided to participants at the outset, enabling them to plan their professional activities and allocate time for learning. The North Star program consists of three modules: Leading Self, Leading Business and

Leading Organisation. Action learning projects, both individual and group-based, are assigned with stretch timelines and emphasise quality. This enables participants to expand their horizons, improve multitasking abilities and be more organised. Regular progress reports are provided and participants who fall behind their target performance or attendance are given timely support and feedback to facilitate their learning. A total of 25 employees from APSEZ graduated last year under North Star program and 98 (3.2%) employees completed four-year long batches.



**Training hours (Age group and gender): Behavioural training & E- learning**

Gender & age split	Training hours	
	Male	Female
<=30 years	7709.3	322.2
31-50 years	7358.8	207.3
>50	47228.7	837.3

**Training hours (Management):**

	Percipio learning	Compliance learning	Total instructor-led training	Skill upgradation training
Supervisory	0	0	993.5	2745
Junior management	37048.0	658.0	9561.9	6122
Middle management	9845.0	180.0	3541.5	2049
Senior management	1061.8	28.8	306.5	464
Top management	39.3	1.3	8.0	545

**Employee engagement survey score**

	FY 20	FY 21	FY 22	FY 23
Employee Satisfaction Score/ Employee Net Promoter Score (5-point scale)	4.1	4.1	4.11	4.11
% of total employees	100	100	100	100

Employee Engagement Results (Age & Gender Split)

Age split	Survey sent to	Respondents
<30 years old	174	2463
30-50 years old	2199	
>50 years old	400	
Gender split		
Male	2735	2463
Female	38	

Survey aspects	Unit	Score	Remark
Job experience	5-point scale	4.1	Measurement is from overall parameters.
Happiness	5-point scale	4.14	Measurement is from well being parameters.
Purpose	5-point scale	4.25	Actual measurement.
Stress management	5-point scale	4.14	Measurement is from well being parameters.

## Health and wellness programs

Having a positive and motivated mindset is crucial for employees to be productive. APSEZ recognises that employee wellness plays a significant role in the success of the business and organisation. We understand that the health of our employees affects their resources, productivity, bottom line and culture. Therefore, we take a holistic approach to employee wellness, looking beyond just physical well-being and aim to empower employees to master themselves, their surroundings and the possibilities around them. Our vision is to create a healthy workforce with a positive and inspired mindset along with a conducive environment that promotes holistic wellness beyond mere awareness and appreciation.

### Workplace stress management

Our organisation focuses on work-life balance and stress management at the workplace from a holistic perspective, with five key elements programs: Physical, emotional, spiritual, safety, diversity and inclusivity and self-sustenance.

- Physical care includes medical check-ups, clinics and health awareness sessions to promote healthy and fit employees.
  - Emotional care involves counselling by professionals for employees and managers facing job-related turbulence or personal issues.
  - Spiritual care aligns individual purpose with the organisation's purpose through motivational speeches, workshops and regular communication.
  - Safety, diversity and inclusivity care ensures a safe and positive work environment, free of discrimination and representing various segments of society.
  - Self-sustenance care focuses on developing employee capabilities and career opportunities through organisational systems and processes.
- For the organisation to breathe a culture of wellness, the commitment of leaders at the helm who model wellness conduct is always called for. To effectively promote workforce

wellness, leaders must have a balanced and personal view of wellness and possess experiential insights, reflective introspection, access to tangible tools, learning resources and the ability to engage in dialogues and debates about wellness.

To meet these requirements, efforts are being made to enable executives to make better choices about their health and mental wellness and to take control of it for their own and the organisation's benefit. A wellness intervention program has been designed for senior leadership, known as the Curated Individual Wellness Journey. This program aims to develop leaders into advocates for workforce wellness by providing an integrated approach to optimal health and wellness. It involves a four-month-long wellness intervention in collaboration with the Art of Living Corporate Programmes, called the Individual Leadership Holistic Wellness Journey. The program is tailored to allow each leader to take maximum benefits one-on-one at their own pace, providing flexibility to accommodate their busy schedules. The program has attracted 30 CEOs and leaders at N-1 and N-2 positions who have participated in various touchpoints, with 50 hours of immersion per leader spread across 16 weeks while maintaining their regular work schedules.

These touchpoints include (all the touchpoints are one-on-one, without interference/intervention from the organisation and purely between the leaders and the facilitators):

- A pre-program survey, conducted for 30 leaders to gather data and provide facilitators with a better understanding of the participant cohort.
- Pulse diagnosis, a technique based on Ayurveda, used to determine each participant's body type and expert ayurvedic doctors analyse the results to provide further insights.
- Wellness coach conversations occurred throughout the journey to develop each leader's wellness journey and track progress.
- A dietician-led session on balanced and nutritious diets, considering circadian rhythms.

- A four-day (10-hour) e-holistic wellbeing programme for leaders, led by an expert, to gain insight into Sudarshan Kriya.
- A six-hour Effortless Equanimity/Sahaj Samadhi Meditation Program to help leaders find balance and position themselves internally and externally.
- Multiple one-on-one sessions, each lasting one hour, on various themes were held to review and practice wellbeing techniques. The program concluded with a post-program pulse diagnosis to monitor progress over the 16 weeks.

Since 2012, in association with The Art of Living Corporate Programmes, Adani Ports and SEZ Ltd has been able to bring to the table 1500+ employee experiences through its APEX Programs. In the past year and the year to come, we have organised and plan to organise 30 batches with 25 employees per batch. One batch is a four-day (10 hours) APEX Program which offers practical techniques for reducing stress and working smart through various touchpoints like breathing tools and yoga, nutrition bits, mind management and life-style aspects covered in the same, ten hours of inward experiential learning creating once in a life-time experiences. Post programme support is being offered to all the 1500+ alumni of this programme through Sunday reconnects of 1.5 hours based on various themes like spine care yoga, lung health yoga, lymphatic drainage yoga, yoga for the core, desktop yoga, vagus nerve etc. and other elements included to refresh their learnings of their ten-hour journey.

We have thorough systems and checks as success indicators like the employee engagement score, health and wellness index and employee productivity to enable us to act upon need of the hour and contribute to the wellbeing of our workforce. We believe in investing in our people. Looking after the health and wellness of our colleagues and their families are our top priority. We understand that in a competitive fast-paced environment, it can be challenging to manage multiple personal and professional commitments. Keeping up with demands at both home and work can

often lead to stress and anxiety. As a part of Adani Cares, we launched an Emotional Wellness Programme, offering professional support at any time of the day and in any location, free of cost. A round-the-clock service facility of confidential counselling services in association with ICAS is available on a wide range of topics including relationships, family matters, illness, loss of a loved one, work life balance, stress/anxiety/depression, parenting guidance etc. is available to all the employees in the organisation.

### Employee support programmes

APSEZ developed best-in-class benefits and wellness programs to help the workforce deal with work pressure, support family and enjoy their leisure. During the crisis (pandemic), we encouraged our people to take care of their health and wellbeing. We supported our people and their families through the following initiatives:

**Medical:** The Company undertook first-aid and health emergency management through its dedicated health centre/hospital/ day care centre, comprising qualified medical practitioners at its corporate and site offices for permanent and contractual employees. Health care facilities included hospitals/health centre/

day care centre, first-aid centre that varied according to the size of the facility/business unit. The Company facilitated mandatory health checks at regular intervals for all employees. All employees at APSEZ are covered under Adani Group Mediclaim policy which covered the employee plus spouse and 2 dependent children for medical treatment/reimbursement as applicable with provision for adding parents. Parents of all employees are covered under critical illness policy to provide support/financial assistance to employees in the case of critical illnesses.

**Flexible working hours:** APSEZ believes in holistic approach of its people's well-being, aligned to our working hour guidelines. The Company recognises the significance of work life balance in the people's lives. Therefore, the limit is 48 hours per week for India offices. We have provided flexible working conditions for certain departments since the pandemic. Since the advent of pandemic, the Company transitioned to work-from-home arrangements, formalised through a policy.

**Flexible working conditions:** The unfortunate Covid-19 made us realise that a flexible work environment can be effective across various levels of operations. However, due to the

Company's nature of business, it could not have completely remote working. The Company's administrative department give provision to working from home or work remotely as per the nature of their work and health conditions. This flexibility at workplace benefit employees holistically.

### Childcare facilities or contributions:

APSEZ has Employees Children Education Scholarship Policy, Employee Children Education Loan Interest Subsidy Policy in place. This helps create a bright future for employees' children.

**Welfare Policy:** APSEZ has provisions under the following employee welfare policies/plans as applicable – Retirement Benefit Plan, Loan Policy, Housing Loan Interest Subsidy Policy, Telecom Policy, and Marriage Gift Policy. Furthermore, in the case of demise of an employee, there is Death Benevolent Fund (DBF) to provide financial assistance to the family of the deceased. All employees are covered under the APSEZ retirement benefit plan. All employees can access these policy documents from the internal Adani portal.

**Paid Parental Leaves Policy:** We have paid parental leave policy, paternity leave as per company policy is 6 days and maternity leaves are provided as per Indian regulations i.e. 26 weeks.

Benefits	2019-2020		2020-2021		2021-2022		2022-2023	
	Male	Female	Male	Female	Male	Female	Male	Female
Total number of employees who were entitled to parental leave	0	0	18	0	49	0	76	0
Total number of employees that took parental leave	0	0	18	0	49	0	76	0
Total number of employees who returned to work in the reporting period after parental leave ended	0	0	18	0	49	0	46	0
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	0	0	18	0	49	0	76	0
Return to work and retention rates of employees that took parental leave, by gender	0	0	18	0	49	0	76	0

## Social responsibility and sustainability initiatives

Adani consider its responsibility to help enrich our surrounding communities of residence and work. We encourage our employees to become involved in their communities, lending their voluntary support to programs that positively impact the quality of life within these communities. We believe that, in addition to making a difference to those in need, volunteering will allow our employees to:

- Build new skills
- Meet new people
- Cement relationships with colleagues

- Try new challenges
- Add variety to their work and life

We encourage our employees to participate in and contribute to the social responsibility initiatives spearheaded by Adani Foundation. 'Guidelines on Employee Volunteering' policy help achieve this. These guidelines are applicable to all employees including advisors, consultants, GETs, MTs, trainees and apprentices. Adani Foundation will announce requirements for volunteers, location-wise for the support in its various activities/initiatives. Employees can volunteer for participation in the same from their respective locations/ project site.

## Human capital returns on investment

Human capital returns on investment for APSEZ, refers to the financial benefits that we receive from investing in its employees' skills, knowledge and abilities. It is a measure of the value that employees bring to our organisation through their productivity, performance and innovation. The concept of human capital returns on investment is based on the idea that employees are an organisation's most valuable asset and investing in their development can lead to higher levels of organisational success and profitability.

	FY 20	FY 21	FY 22	FY 23
Human Capital Returns on Investment (%)	20.46	19.31	21.27	15.2

## Grievance mechanism

APSEZ values effective communication with its stakeholders, and has recognised the importance of having a robust grievance reporting mechanism at the operational level. To this end, we have made available a 24x7 grievance reporting mechanism on our website and dedicated telephone numbers, as well as drop boxes at prominent locations. Moreover, we have designed an online grievance redressal mechanism that ensures all grievances are addressed within a defined timeline of 14 working days.

To maintain confidentiality, grievances are resolved in a fair and time-bound manner. In addition to these measures, grievance registers and complaint boxes are available at sites/locations where workers can register their

complaints. Contractual workers also have the option of reporting grievances to their respective contractor representative or company supervisor. The contractor is then expected to take the necessary action to address worker grievances and if required, raise the grievance to the HR and respective functional heads.

## Freedom of association

APSEZ upholds the rights of its employees and associates to freely express themselves while at work and encourages such expression. The workforce's rights to form and join trade unions, engage in negotiations and participate in collective bargaining are recognised and protected under applicable laws and regulations. We are committed to respecting the rights of workers to form or join a trade union without

fear of any form of intimidation or retaliation, as stipulated by the law. The percentage of employees covered by collective bargaining agreements was 6.3%.

**3 collective bargaining agreements (no trade unions) were concluded in FY 2022-23**



# Human rights

Our dedication to respecting and safeguarding the human rights of every stakeholder in our value chain is guided by Adani Group's principle of Growth with Goodness. APSEZ is dedicated to enhancing the standard of living in the communities where we conduct business nationwide.

Identified through our materiality assessment, human rights represent a significant risk to our business. Any involvement in human rights violations, whether through our own operations or offshore acquisitions, has the potential to severely damage our reputation. This, in turn, can have adverse effects on our credit rating and hinder our ability to secure capital. Moreover, such actions

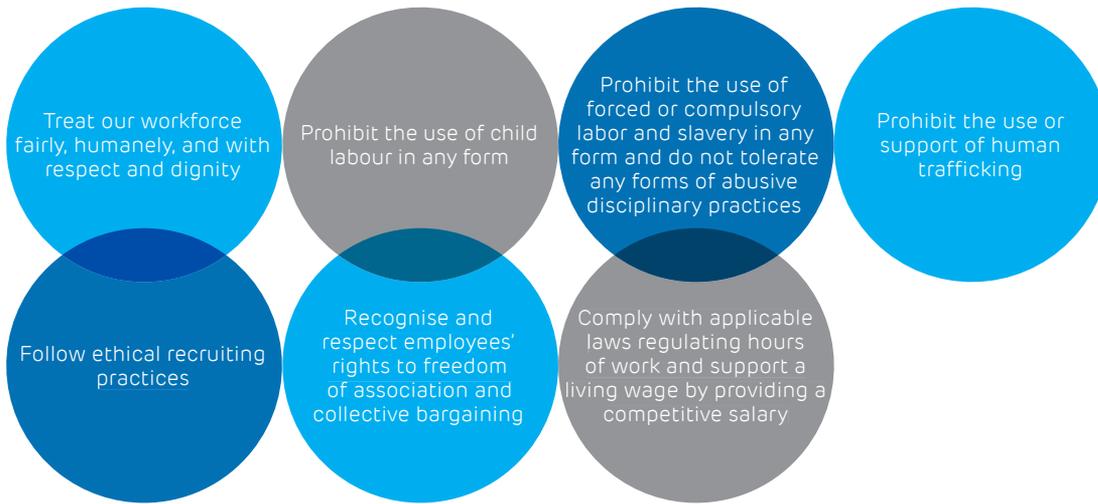
may result in various penalties and operational disruptions. Therefore, ensuring the wellbeing of our employees and providing favourable working conditions is of paramount importance to us. Failing to uphold appropriate human rights policies would lead to the loss of our skilled workforce, which would not only impact our operations but also cause significant harm to our reputation.

## Our commitment to human rights

The Adani Group's commitment to upholding human rights is reflected in its Human Rights Policy and Human Rights Guidelines, which serve as a moral compass for employees and

businesses. Adhering to the highest standards of corporate conduct and business ethics while engaging with internal and external stakeholders is crucial for APSEZ employees, as they work towards business objectives and protecting human rights. The Group Policy on Human Rights provides detailed guidance to Adani Group employees and is fully applicable to all APSEZ employees as an integral part of the Adani Group. In addition, APSEZ's Human Rights Guidelines are aligned with the United Nations Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work and are applicable to all employees, stakeholders and value chains.

## Mandates of human rights policy and guidance



## Human rights strategy

We are committed to respecting human rights everywhere we operate and throughout our entire value chain. We aspire to ensure that everything we do – or that others do for us – is consistent with local, international law and our own commitment to human rights per our policy. In situations where non-compliance is confirmed, we provide remedy as quickly as possible.

We inspire our suppliers and expect our business partners to

adopt and enforce similar policies. APSEZ human rights strategy for our business and suppliers is aligned with the United Nations (UN) Guiding Principles on Business and Human Rights and focuses on:

- Embedding human rights policies into our business
- Implementing due diligence processes to identify, prevent, mitigate and account for human rights impacts due to our business operations and our supply chain
- Providing remedial actions when

needed

- Communicating transparently with our stakeholders about our processes and actions
- Engaging constructively with employees, suppliers, local communities, governments, non-governmental organisations and other stakeholders

## Human rights due diligence

APSEZ follows a robust human rights due diligence process

that aligns with the UNGP reporting framework. The process begins with the identification and assessment of potential impacts on the human rights of workers, suppliers, consumers and communities. The scope of evaluating human risks includes in our operations, value chains and new partnerships such as mergers, acquisitions and joint ventures.

Human right due diligence is carried out for mergers and before acquisitions which includes due diligence of country's reputation in terms of respecting human rights, ongoing controversy pertaining to human rights violation including child labour/ forced labour/bonded labour, diversity, human trafficking, wages, sexual exploitation, racial / gender discrimination etc.

The Corporate Responsibility Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee oversee the policy commitment and ensure the alignment of material ESG aspects, including human rights,

with the business strategy.

To manage risks effectively, we have a systematic risk management process in place. Our Enterprise Risk Management (ERM) framework follows both top-down and bottom-up approaches. In the bottom-up approach, employees highlight risks based on their circle of competence, while the senior management designs counter-risk initiatives with approval from the Board. Once risks are identified, the functional teams at the site level implement mitigation measures with oversight from the corporate team.

Our Risk Management Committee identifies potential issues and adapts our due diligence approach to each incident based on the type of inquiry. When non-compliance occurs, we provide appropriate remedies and bring any violation to an end, including working with suppliers to implement corrective actions.

We prioritise our due diligence work in response to new and

upcoming legislation and additional perceived high-risk of human rights violations of the employees, suppliers and community. To support our internal due diligence activities, we use Self-Assessment Questionnaires (SAQs) to assess human rights risks in a quantitative process.

We continuously evaluate and improve our processes to ensure the protection of human rights and basic working conditions within our operational sites. Our updated Human Rights Guidelines and Supplier Code of Conduct are shaped by due diligence laws, demonstrating our commitment to upholding the highest standards of ethical conduct.

Heightened Due Diligence was conducted earlier when there was situation of conflict and immersing human right issues for community. APSEZ have process in place to conduct Heightened Due Diligence as business does not take a side in the conflict, its activities will necessarily influence conflict dynamics.

## Due diligence for our human rights risk assessments



For FY 2022-23, we conducted the Self-Assessment Questionnaires (SAQs) for employees, suppliers, customers and community to identify human rights risks. About 76% of APSEZ's employees participated in the survey. We assessed all our operational sites in FY 2022-23 through SAQs.

### Key highlights, FY 2022-23

- 76% of the direct employees were accessed through survey questionnaires on human rights
- 19% suppliers were assessed on human rights through survey questionnaires

- 33 % of supplier surveyed are committed to UNGC Business and Human Rights Principles
- 61% of customers remained committed to human rights protection
- 60% employees were given training on Human Right Issues (POSH, Wellness, Health & Safety & DEI)

- Amendment of the Supplier Code of Conduct and Human Rights Guidelines to align with global best practices
- Scope of evaluating human risks includes operations, value chains, and new partnerships such as mergers, acquisitions, and joint ventures.

**FY 2022-2023**

Human Rights Risk Assessment	% of sites subjected to human rights assessments	% of total assessed sites where risks have been identified	% of risk with mitigation actions taken
Own operations	100	4.2*	100
Contractors & Tier 1 suppliers	19	4	100
Joint ventures	100	0	0

\*The identified (4.2%) corresponds to the newly acquired sites such as Gangavaram Port and Tumb ICD, the Group culture, values, principles and best practices on safety, workers' wellbeing, good working condition and protection of workers' rights are being implemented to mitigate any risk of violations of human rights. We have implemented robust due-diligence process and put in place systems and procedures to identify, address and report any issues as early as possible.

**Supply chain**

Suppliers play a critical role in helping us meet our commitments and uphold our values. Given the size and complexity of our supply chain, we use an annual assessment process to access our supplier. Our commitment requires a robust approach to safeguarding against human rights abuses in our supply chain. This includes:

- Working with suppliers to align with APSEZ's Supplier Code of Conduct
- Analysing the human rights risks associated with our supply base

- Auditing our supply base facilities that have a higher risk of substandard working conditions or other potential human rights risks
- Conducting training to build capacity, both with our suppliers and our employees, to improve supply chain working and environmental conditions
- Collaborating with others in multi-stakeholder initiatives to develop tools and training supporting continual improvement throughout the global supply chain.

The Company has an online contractor safety management (CSM) portal which required all contractors working on their sites to provide evidence of their safety culture, practices and relevant documents before commencing work. This portal assesses the contractors on their human rights capabilities too. Through CSM, we assessed 2377 suppliers in FY 2022-23.

**Salient human rights risks**

We identified following human rights issues as priorities to be addressed across our value chains.

Identified Human Rights Issues	Definition	Where in the value chains potential risk more likely	Policies to address the impact	Mitigation measures
<b>Fair wages</b> (ILO convention)	A wage level covering workers' and their families' basic needs and providing some discretionary income.	Primarily in supply chains.  Vulnerable groups are found in low skilled, labour- intensive segments as well as linked to part-time work and outsourcing.	- Supplier Code of Conduct  - Human Rights Guidelines	Before suppliers onboarding process, we make sure they comply with all applicable laws and regulations with respect to minimum wages.  APSEZ remuneration are in accordance with Government of India, Minimum Wages Act, 1948 and Wage Act 2019. We monitor our entire compensation structure to ensure that all employees are paid appropriately.

Identified Human Rights Issues	Definition	Where in the value chains potential risk more likely	Policies to address the impact	Mitigation measures
<p><b>Health and safety</b> (ILO convention)</p>	<p>Health, safety and wellbeing of employees, workers and customers across the value chain, such as working conditions, store safety, product safety, chemical safety, hazardous waste safety, natural hazards and pandemics.</p>	<p>Own operations, communities and value chains.  Covid-19 pandemic continued, requiring extra attention in relation to health and safety.</p>	<p>Occupational health and safety policy</p>	<p>Access to quality healthcare is a fundamental right of every individual. Adani Foundation relentlessly works to provide access to quality health facilities at doorstep of community households and to a create healthy society.</p> <p>The Company has robust systems and processes for occupational health and safety.</p> <p>We conduct the internal audit to check the working environment of the operating sites.</p> <p>We provide health and safety training to the workforce related to their functional areas.</p>
<p><b>Forced labour</b> (ILO convention)</p>	<p>All work or service that is exacted from any person under the threat of a penalty or for which the person has not offered himself or herself voluntarily.</p> <p>When workers are denied their basic human rights to maximise profits.</p> <p>Indicators of forced labour include unreasonable fees leading to debt bondage, deception, restriction of movement, isolation, abuse of vulnerability, intimidation and threats, abusive living and working conditions, wage withholding, excessive overtime and retention of personal documents.</p>	<p>Communities and supply chains, like in manufacturing, warehouse operations, transportation, construction and upstream material.</p> <p>Vulnerable groups most likely are migrant workers, agency workers, temporary workers and self-employed.</p>	<p>- Supplier Code of Conduct  - Human Rights Guidelines</p>	<p>Our assessment is designed to ensure that potential issues of forced labour are captured and brought to our attention. Our suppliers are expected to embed following system:</p> <ul style="list-style-type: none"> <li>- A responsible recruitment procedure</li> <li>- Due diligence and screening process</li> <li>-Clear contract with agencies</li> <li>-Training for management and workers</li> <li>-Grievance mechanism</li> </ul> <p>Communities are given awareness program and make aware of government schemes so that they don't fall in debt cycle and do forced labour.</p>

Identified Human Rights Issues	Definition	Where in the value chains potential risk more likely	Policies to address the impact	Mitigation measures
<b>Discrimination and harassment</b> (ILO convention)	Discrimination; unfair or humiliating treatment on the grounds of gender, sexual orientation, race, colour, age, pregnancy, marital or social status, religion, political opinion, nationality, ethnic origin, disease or disability. Gender-based violence and harassment relates to violence and harassment directed at persons because of their sex or gender or affecting persons of a particular sex or gender disproportionately and includes sexual harassment	Own operations and value chains.  Unconscious bias or discrimination ingrained in the work culture or discriminatory conducts of individuals.  Vulnerable groups include women, migrant workers, LGBTQI and minority groups.	<ul style="list-style-type: none"> <li>- Code of Conduct</li> <li>- Supplier Code of Conduct</li> <li>- Human Rights Guidelines</li> <li>- Diversity, Equality and Inclusion policy</li> <li>- Prevention of sexual Harassment (POSH) policy</li> </ul>	Provided training to all the employees for awareness on diversity of workforce and work-related harassment and discrimination.  We have a grievance mechanism system that provides a transparent mode to obtain resolution on any human rights grievances.  Suppliers are audited for their policy commitment and systems and processes for prevention of harassment and discrimination.



## Mitigating Human Rights risks: How APSEZ is addressing the issue

APSEZ is unwavering in its commitment to ensuring that human rights abuses and violations are not tolerated, and we hold steadfast in our resolve to steer clear of any entities that have been censured for such transgressions. To this end, we have instituted a series of precautionary measures aimed at safeguarding human rights throughout our organisation and its value chains.

### Internal audit with ESG metrics

APSEZ has implemented a comprehensive management audit and assurance program to ensure compliance with ESG control processes and performance metrics. The program is carried out by a team of qualified professionals with expertise in accounting, engineering and SAP. In addition,

safety audits are conducted regularly in compliance with the Factories Act to maintain a safe and healthy work environment.

### Employee training and awareness

We have established a comprehensive training and awareness program for employees, suppliers, customers, community and workers on various aspects related to human rights, IT and cybersecurity, risk management, prevention of sexual harassment at the workplace (POSH), safety health and wellness and diversity and inclusion wherein,

- New joiners are given training during the induction process.
- Periodic awareness surveys are conducted for all employees to bring alignment with human rights framework in their day-to-day operations and report any actual or suspected violations to these guidelines without fear of any reprisal or discrimination.

- Human Rights Guidelines are published on notice boards at each operating port locations to promote greater awareness among workforce members.

- Mandatory training on Human Rights, POSH and Code of Conduct are organised for all employees across business locations.

- All employees of the Company are guided to record their acknowledgement of understanding and adherence to the guidelines.

2 sites where potential risk of human rights have been prevented. The Group culture, values, principles and best practices on safety, workers' wellbeing, good working condition and protection of workers' rights are being imbibed to mitigate any risk of violations of human rights.

## Training hours and number of employees trained on Human Right Issues (POSH, Wellness, Health & Safety & DEI)

	Number of employees	Person-hours
Senior management	99	84
Middle management	449	367.5
Junior management	1269	987

### Active engagement with stakeholders

To engage with a diverse range of stakeholders, APSEZ developed customised questionnaires tailored to identify areas of concern or ongoing focus desired by stakeholders. These questionnaires facilitate consultative processes to ensure full coverage of environmental, social and governance issues, as well as the involvement of APSEZ's personnel and management to address all stakeholder queries and grievances.

For human rights issues specifically, separate Self-Assessment Questionnaires (SAQs) are used to assess stakeholders' views and perceptions on the Company's human rights performance. The results of these assessments are used to identify potential human rights risks and to develop strategies to address them. APSEZ also works to address any grievances or concerns raised by stakeholders through these processes.

### Discrimination and harassment

APSEZ ensures that all employees and associates have the right to freely express themselves at work, without facing discrimination or any form of harassment, including sexual harassment and exploitation. To promote a safe and inclusive work culture that embraces gender diversity, the Company adopted a zero-tolerance policy aligned with the Sexual Harassment Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company have zero tolerance

towards non-sexual harassment whether verbally or non-verbally. This policy is applicable to all employees, both permanent and contractual. In case of any discomfort, employees can report to their line manager or to the GMC, a centralised monitoring committee at the Group level, or ICC for each region/location. The committee is responsible for investigation and taking disciplinary action, including termination if someone was found guilty.

To sensitise employees on the prevention of harassment (sexual & non-sexual) at the workplace and enforce the right mindset into the organisation, we conduct regular workshops, group meetings, online trainings and awareness programs. All employees are required to undergo training on discrimination and harassment as part of the Code of Conduct.

In FY 2022-23, 1817 employees were trained in Human Right Issues (POSH, Wellness, Health & Safety & DEI) and the Company reported zero instances of child labour, forced labour, discrimination, harassment and sexual harassment. Any form of harassment, physical, verbal, or psychological, is prohibited in adherence with the Prevention of Sexual Harassment (POSH) law, Human Rights Guidelines and company policy.

### Group Monitoring Committee (GMC)

- Provides oversight and ensures the rightful implementation of the policy; provides required guidance/advice for continual compliance and necessary facilities to the Internal Complaints Committee (ICC)
  - Monitors and reviews functions of ICC and provides avenues for aggrieved person to register/escalate their complaints in case the same is not attended to by local ICC
  - If deemed necessary, may suo moto, review an investigation/inquiry proceeding conducted by the ICC
  - GRC includes Site head, HR Head, HSE Head, Head of security, Head of Corporate affairs, employee representatives
- GRC at each site, has more than 20 on-roll employee as its members

## Incidents of discrimination and harassment

	FY 20	FY 21	FY 22	FY 23
Incidents of discrimination and harassment reported	0	0	0	0

### Escalation process for reporting incidents related to discrimination and harassment

Our dedication to human rights is not just a policy, but a moral responsibility. By offering a robust Grievance Management System (GMS), APSEZ demonstrates its commitment to helping individuals seeking resolution to any human rights related issue.

GMS provides a transparent and efficient platform for individuals to raise complaints related to any human rights issues, including labour practices, ethics and discrimination. It ensures that these grievances are resolved in a fair and time-bound manner, while maintaining the utmost confidentiality.

All stakeholders, including

employees, contractors, suppliers, customers and community, could raise their complaints through this online system, which is available for everyone.

To ensure maximum accessibility, grievance registers, complaint boxes and grievance redressal team through dedicated email – grievance.apsez@adani.com are also available for all sites and locations. APSEZ understands the importance of providing a safe and supportive environment for all stakeholders to voice their concerns and seek resolution.

### Remediating human right risks

It is important for us to ensure that the human rights of workers, suppliers, consumers and communities are protected and respected throughout our

operations and the entire value chain. Therefore, addressing human rights risks throughout the operations and in the value chain is essential for us. Ultimately, it is the right thing to do and a reflection of our commitment towards ethical and responsible business practices.

APSEZ initiated several action plans to address human rights risks. A major step being, the creation of three new sub-committees under the Risk Management Committee - Mergers & Acquisition Committee (MAC), Legal, Regulatory & Tax Committee (LRTC) and Reputation Risk Committee (RRC) which, apart from managing other business risks, also have consider human rights risks for assessment and mitigation. Our human rights risk identification process has

also been expanded to cover new relations, such as mergers, acquisitions and joint ventures, in addition to the Company's own operations and value chain partners. We have implemented ESG due diligence for offshore mergers and acquisitions and greenfield projects and a social impact assessment to mitigate risks related to human rights and people care during the planning and construction stage. Additionally, heightened human rights due diligence was conducted for sites where new developments increased the human rights risk perception.

At the Board level, the Corporate Responsibility Committee ensured a strategic alignment of sustainability and human rights with the business. The

Risk Management Committee oversaw the potential and actual risk pertaining to human rights at every stage of the project including the merger and acquisition through human rights due diligence. Ultimate oversight on human rights resides with the Board of Directors who are briefed on a quarterly basis by the ESG Head. Additionally, we increased the required share of Independent Directors in the Risk Management Committee and other Board Committees to 66%. The Risk Committee and all its sub-committees, as such, currently have two-third Independent members.

APSEZ recognises the importance of building connectivity with the community, suppliers and customers to ensure that our

human rights policy is effective and addresses their expectations and concerns. To achieve this, we conducted a participatory human rights survey during the year, which allowed us to gain valuable feedback and insights from these stakeholders. In addition, we institutionalised a periodic systematic review of potential human rights issues to ensure that we are staying up to date with any emerging risks or concerns. By building this connectivity and actively seeking input from stakeholders, we ensure that our human rights policy is aligned with their needs and concerns and that we are taking appropriate measures to address risks or issues that may arise.



# Occupational health & safety

As a part of our commitment to upholding our values, the wellbeing and health of our workforce take precedence above everything else in the workplace.

## Overview

At APSEZ, we strive to continually enhance our efforts in preventing work-related illnesses and injuries and adherence to our Group's Health and Safety Policy is mandatory without any exceptions.

**Our values:** We strictly embed safety in the DNA of our operating management system

**Our safety motto:** Zero Harm, Zero Injuries, and Zero Excuses

**Target:** To achieve Zero Harm and 25% reduction in LTI by 2025 (baseline 2016)

### Key highlights, FY 2022-23

- LTIFR: 0.280
- Fatality rate reduction from three to two
- All ports certified for ISO 45001: 2018 Occupational Safety Management System OHS Policy and STRAP objectives
- Safety Culture Assessment by JMJ Consultant
- Robust OHS governance
- Active functioning of Six Safety Task Force



## Our approach

We prioritise the wellbeing and safety of our workforce, firmly believe that all workplace fatalities, severe injuries and occupational illnesses can be avoided. Based on the materiality assessment, Occupational Health and Safety has been identified as a material issue that holds significance in APSEZ's value chain. The Company places great emphasis on maintaining a secure working environment throughout its operations and is committed to meeting international standards for the health, safety and wellbeing of its workforce.

Our operating standards are in line with international best practices and are designed to proactively identify and mitigate any potential risks. At our Company, we hold the belief that all incidents and injuries can be prevented. Therefore, we concentrate on recognising, handling and, if feasible, eradicating risks and employ risk management

and critical control monitoring to assess and manage our impacts. The Occupational Health and Safety (OHS) Policy incorporates important stakeholders, such as employees, shareholders and the community and aligns with national regulations and Good International Industrial Practices (GIIPs).

APSEZ has a Consequence Management Policy, approved by the Board, that covers both

positive and negative outcomes. Whenever the Incident Investigation Committee identifies careless decision-making as a significant cause of an incident, the consequence management policy is applied. In cases where a contractor fails to adhere to APSEZ's safety expectations, they may face temporary suspension or permanent blacklisting. We promote the OHS systems through reward and recognition program for our employees.



Ensuring the health and safety of employees, contractors, and communities

**Our Bible for safety**

A comprehensive manual - Adani Safety Management System - covers Group Occupational Health and Safety (OHS) Policy, Business OHS policy, Site OHS policy, Safety Governance Process, Felt Leadership, Standard Operating Procedures (SOPs), RACI (Responsibility, Accountability, Consulted and Informed), Goals & Objectives and 10 Life Saving Safety Rules, roles and responsibilities of employees, associates and vendors.

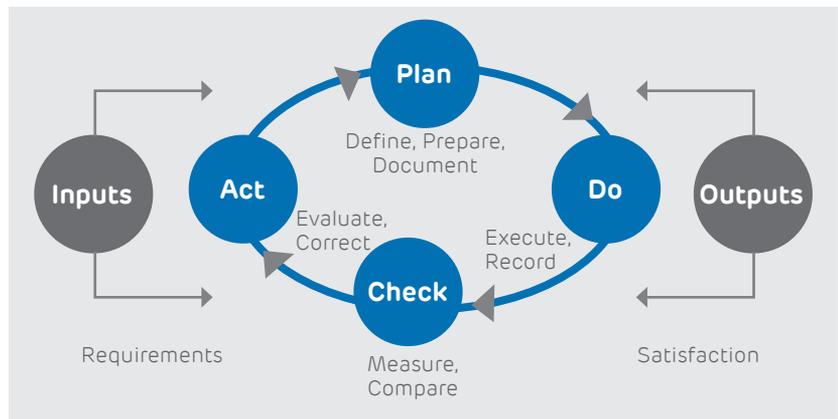
Suraksha-Samwaad was employed as a behaviour correction technique.

APSEZ implemented an extensive OHS framework (Safety Governance) that encompasses all manufacturing sites and employees. There is a dedicated commitment to consistently enhance the performance of the OHS management system.

The Company achieved OHSAS 18000/ISO 45001 certification for all its ports located in India. As part of the certification process, regular OHS management and improvement plans are developed and implemented. The Company employs the PDCA (Plan, Do, Check, Act) cycle for periodic assessment and enhancement purposes. APSEZ has implemented a robust Occupational Health and Safety (OHS) management system to proactively identify potential workplace hazards through internal audits. These audits enable the Company to assess risks and hazards associated with its operations. Once identified,

the risks are prioritised and integrated into an action plan that includes quantified targets. To ensure progress towards reducing health and safety issues, OHS Site heads continuously monitor and evaluate performance against the set targets. In the event of a risk being identified or an incident occurring, APSEZ follows a standardised incident investigation procedure aligned with its OHS management system.

Additionally, internal safety audits in accordance with the Factories Act are also conducted at regular intervals. A safety behaviour correction system called Suraksha Samwaad (Safety Interaction) was implemented throughout the ports. Data analysis of observations was carried out to facilitate the implementation of suitable safety programs. The sites under went audits and certification by third-party agencies annually.



## OHS Governance oversight

Our aspiration is to conduct our business while ensuring zero harm to the individuals we collaborate with and to establish a healthy and safe environment for our employees, contractors, suppliers, communities, customers and all stakeholders involved. Implementing robust OHS governance processes not only safeguards the well-being of our employees but also aligns with our sustainability goals. Our safety programs are propelled by the active involvement of line managers, facilitated by a well-structured governance model that extends from the corporate level to individual units.

The Safety Steering Council of the Company plays a pivotal role in offering strategic and technical support, while the Business Safety Council focused on the implementation of safety measures and resource planning. At the site level, the Site Council is responsible for executing safety measures and promoting a culture of safety excellence. Furthermore, six Safety Task Forces (TF) have been established at the Group, business and site levels to oversee and address specific safety aspects. Safety teams operating at the corporate, functional and line management levels actively monitor safety priorities within the organisation. To ensure adherence to safety standards, systems and practices, the Company obtained certification for its Safety Management System (ISO 45001:2018).



## Safety committee representation

	Management	Non-management	Frequency of meetings
Site level	CEO and HODS	Departmental heads and task forces	Monthly
Business level	Business unit head, CEOs and safety heads	Taskforce heads and safety heads	Monthly
Corporate level	Committee chairman, BU heads and invitees	Taskforce heads and safety heads	Once in two months
Board level	BU heads and Chairman	Special invitees	Quarterly

## Targets for 2025

We strive for ambitious targets in the areas of occupational and process safety, as well as health protection. To ensure continuous improvement, we closely monitor

our progress towards these goals. Through regular monitoring and assessment, we aim to identify areas for improvement and implement necessary measures to drive ongoing advancements

in safety and health within our organisation.

APSEZ has various programmes and initiatives in place to reduce health and safety incidents.

Initiatives	Benefits outcome
<ul style="list-style-type: none"> <li>Safety Training person-days per employee per year <math>\geq 2</math> and Roll out Personal Safety Action Plan (PSAP) aligning to Adani Leadership 10</li> <li>Commandments for all BU senior leaders.</li> </ul>	BU safety KRAs for the leadership team & employees
Launch and conduct 4hr Contractor Induction pack. Create an awareness amongst the contractors on safety through saksham program.	Capacity & capability building
Develop reward and recognition policy covering the best TF member, OHS trainer, staff, contractor, SRFA team and department achieved a high score in SPIS and effective implementation of CMP	Excel team engagement in OHS Activities
<ul style="list-style-type: none"> <li>Improve quality of SRFA audits to eliminate maximum 4s and 5s through SRFA.</li> </ul> Strengthen AICs and line function, creating a competitive environment (target electrical safety standards)	Safe workplace

Conduct a study of structural stability / integrity, take the maximum benefit of VSR audits tool to minimise vulnerabilities	Elimination of vulnerable safety risk
<b>Samwaad:</b> Achieve minimum 4 UA /hr and 100% assignment to all port employees through the monthly Samwaad assessment through KPI and 90% actual achievement	Engaging workmen in OHS activities
Horizontal deployment of incidents CAPA, SRFA based on a monthly trend for the business and monitor compliance 100%	Proactive approach to Prevent reoccurrence in other sites
Introduce task force KPI scorecard for 6 task forces and increase effective involvement of members through tracking, micro tasking and measuring. Review SSC and BSSC meetings	Line Management Engagement
Set up LPSE learnings and process for LOTO, W@H, Electrical, CSM Process Safety, Micro Hazard Mapping, Logistic Safety, MOC and SOP tool kit (pictorial SOPs) across all (3 Number of projects executed during the year)	Utilising LPSE trained champions in the BU Safety Excellence Journey.

## Process safety

The Company implemented a structured process encompassing QRA (Quantitative Risk Assessment), HAZID (Hazard Identification), HAZOP (Hazard and Operability Study), PSM (Process Safety Management), PSSR (Pre-Startup Safety Review) for all expansion projects. Additionally, Hazard Identification and Risk Assessment (HIRA) procedures were applied to all operational activities. A specialised team of process safety engineers regularly performed Hazard Identification and Risk Assessment (HIRA) for new and existing processes. In addition, independent process safety

consultants were engaged to conduct gap assessments, identify areas for improvement and implement risk mitigation strategies to ensure process safety.

The Company ensures the presence of fully equipped emergency healthcare facilities at all sites, prioritising the well-being of employees and contractors. To monitor the health of individuals, comprehensive pre-employment and periodic medical assessments were conducted for all personnel. The Company maintained strict confidentiality and secure management of employee health-related information. To oversee occupational and individual

health initiatives for employees, a dedicated doctor was appointed to lead these efforts.

**Process to identify work-related hazards**

- Safety handholding and assessment done by a third party
- Monthly self-assessment carried out by a task force team
- Vulnerability Safety Risk Assessment by a site task force team (TF2 Contractor Safety Management) to identify and comply with SOP updating/ refining
- Safety Risk Field Audit (SRFA) carried out at the site level by a task force team (TF2 Contractor Safety Management) on a regular basis



**Hazard operability:** A detailed, systematic study of the design and outline operating and maintenance procedures to identify the consequences of deviation from design intent. Consideration of potential exposure of employees to harmful effects during routine operations including maintenance, decontamination, etc.

In FY 2021-22, APSEZ implemented HAZOP studies for all project expansions across its ports, In FY 2022-23 as per the Group Safety guidelines, APSEZ conducted PSSR audits across all applicable process safety areas. To enhance safety and risk assessment processes, the Company adopted a solution that provided a unified platform for comprehensive process hazard assessment and the establishment of defined controls. Incidents were thoroughly investigated, reported and utilised as learning opportunities to improve overall safety performance. Safety alerts based on incident learnings were

communicated across all ports and Corrective and Preventive Actions (CAPAs) were monitored to ensure their implementation across critical vulnerable factors.

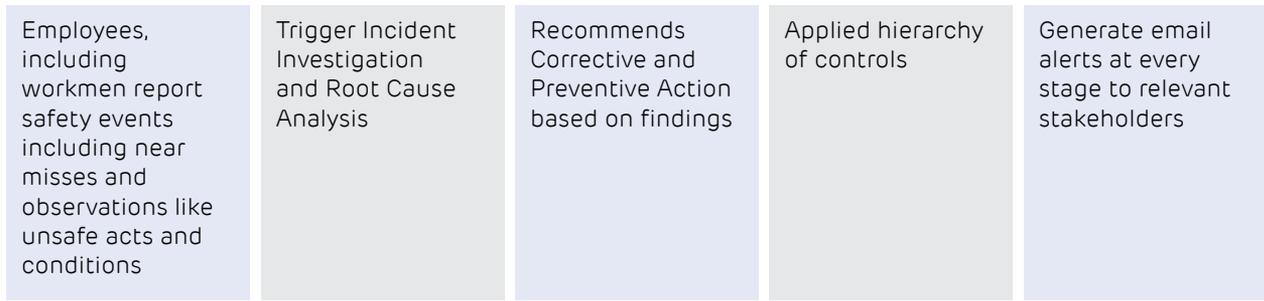
To ensure real-time monitoring and timely response, hazardous locations were equipped with technology-based CCTV systems, enabling 24x7 monitoring and alerts. Additionally, continuous audio safety announcements were made in regional languages at various locations. To enhance safety awareness among visitors, including employees, simulation training modules were developed and made available at entry gates

to the premises.

Through these initiatives, APSEZ aimed to strengthen safety practices, optimise risk assessment and create a safer working environment for employees, contractors and visitors within their port facilities.

We have a monthly reward and recognition programme at all the ports, which rewards employees who highlight any safety related concern through an online portal. To date, 766 employees were rewarded through the Safety promotional campaign.

We facilitate the interaction of our workmen on health and safety matters through Samwaad, a platform designed to encourage engagement, foster knowledge sharing, and facilitate learning from each other's experiences. Employees are actively encouraged to report any concerns or incidents through an online portal. As part of this initiative, APSEZ implemented an incident reporting and response management system called 'Adani GENSUITE' to streamline the process and ensure timely and effective handling of incidents. The platform offers a convenient and efficient way for individuals, including contractors, to report safety concerns, near-misses, and incidents within 40 seconds using a smartphone. Additionally, the platform provides the option for anonymous reporting, ensuring a safe and confidential reporting environment within the workplace.



### Safety training

Regular training sessions are conducted in various aspects of safety to foster a culture of safety improvement within our organisation and raise awareness amongst our employees and contractors. Our operations place significant emphasis on visible and impactful leadership, expecting all leaders to exhibit the highest level of safety discipline in their respective areas of operations. This commitment to safety extends to all our employees, contractors and business partners, ensuring their inclusion and active participation in maintaining a safe working environment.

At APSEZ, we conduct regular health and safety trainings for our employees and contractors based on the nature of work. The safety training requirements for both employees and contractors are determined by assessing the specific hazards present in their respective job roles and workplaces. Regular safety training sessions are conducted by both external and in-house experts to ensure that individuals are well-equipped with the

necessary knowledge and skills. Additionally, mock drills are conducted at regular intervals to evaluate the effectiveness of the emergency management system and ensure preparedness for any potential emergencies.

APSEZ introduced e-Vidyalaya, an online learning platform specifically designed to enhance safety awareness and ownership among the workforces. This platform offers safety e-learning modules aimed to educate employees on the implementation of safety procedures, fostering a culture of safety and promoting a sense of responsibility towards maintaining a safe working environment.

A Train the Trainer (TtT) program was established for each safety procedure to ensure effective implementation and continual improvement of the safety culture. This program focused on equipping trainers with the necessary knowledge and skills to train others on various safety procedures. Additionally, a mandatory basic audio-visual-based safety induction training was implemented at the entrance of the port to ensure

that all individuals entering the premises received essential safety information and instructions.

### Simulator-based training

To ensure the safe operation of critical equipment, training simulators have been installed in dedicated training centres. This proactive measure is aimed to provide employees with hands-on training and familiarisation with the equipment before they interacted with the actual machines. By utilising training simulators, individuals can gain valuable experience, practice necessary procedures and develop the skills required to operate critical equipment safely and effectively.

**Training and capability building:**  
Health and safety trainings are mandatory for APSEZ employees.

**6,16,128** training person-hours were invested in health and safety in FY 2022-23

## Operations safety

During the year, the Company expanded its Occupational Health and Safety (OHS) processes and systems to encompass various aspects of port operations, logistics business, as well as the safety of warehouses and road transportation. Sensitisation and capability building initiatives were undertaken to raise awareness and enhance the skills of employees in key areas. The Company specifically prioritised road safety, defensive driving, vehicle safety, warehouse safety, office safety and electrical safety to ensure a comprehensive approach to overall safety.

**Road safety:** The Company implemented driver-focused road safety initiatives, which included practical training programs aimed at enhancing road safety skills. To promote safe driving practices, speed radar guns were deployed across multiple locations, serving as warnings to drivers and reducing the likelihood of accidents. Furthermore, the entire facility was equipped with CCTV cameras that had video-analytic capabilities to generate advance warnings and ensure comprehensive monitoring. The Company emphasised the importance of adhering to speed

limits and provided education to drivers on this matter. Additionally, efforts were made to raise awareness and mitigate risks among employees and their families through targeted training programs.

**Infrastructure design and condition:** In recognition of the potential health and safety risks associated with inadequate infrastructure, the Company carried out comprehensive assessments of structural stability at its facilities. A dedicated team conducted these assessments and offered recommendations pertaining to infrastructure stability and accessibility. Throughout FY 2022-23, the Company prioritised the implementation of the highest priority recommendations identified by the team. These efforts were undertaken to ensure the safety, security and accessibility of all structures within the Company's premises.

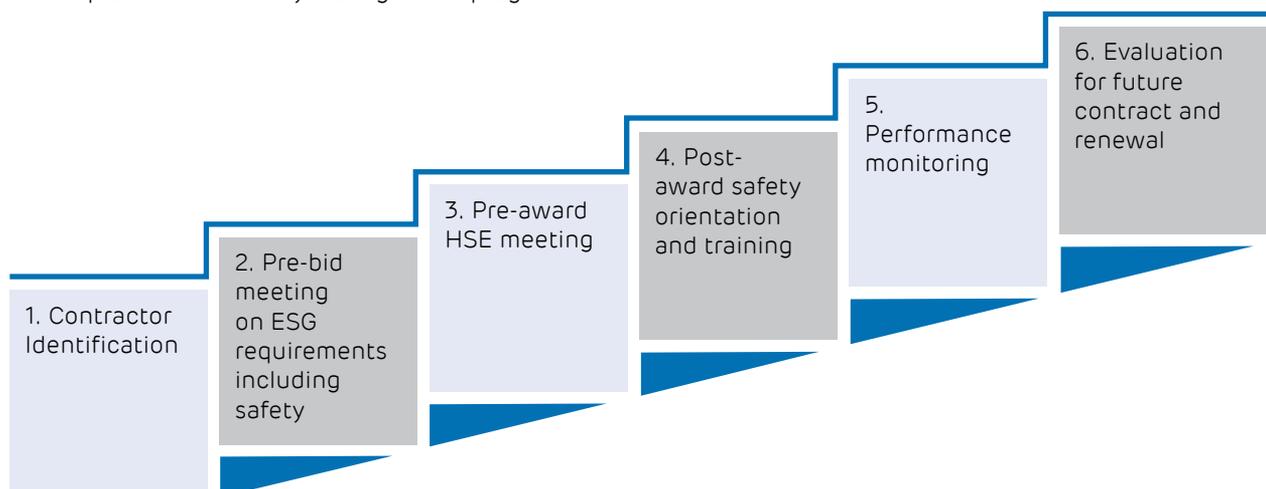
**Contractor safety management:** Given that primary operations were carried out by contractors, ensuring the safety of the workmen remained a crucial aspect of health and safety management. To address this, a dedicated task force was established at the Group level to

provide strategic and technical assistance, at the Business level for deployment and resource planning and at the site level for implementation. This initiative, known as Contractor Safety Management (OHS), involved regular monthly meetings at each level to facilitate the effective implementation of safety measures and management of contractors' safety at the sites.

To ensure contractor safety, the Company implemented an online Contractor Safety Management (CSM) portal, which required all contractors working on their sites to provide evidence of their safety culture, practices and relevant documents before commencing work. Contractors were familiarised with site-specific safety procedures, including the layout and unique characteristics of the workplace, through regular toolbox discussions and ongoing workplace monitoring. In the event of extreme situations, team members were authorised to halt operations immediately upon observing any unsafe practices. Furthermore, effective visual tools were strategically deployed across all sites to enhance worker awareness and provide clear guidance for their benefit.

## A total of 17,799 contractors participated in awareness session in FY 2022-23

Six-step contractor safety management program



## Emergency response programme

APSEZ established an Emergency Preparedness & Response Plan (EP&RP) to effectively address extreme disaster situations across various stages, including construction, operation, maintenance and decommissioning of port sites and associated facilities. These comprehensive plans outlined the response process, escalation hierarchy and the necessary controls to be implemented. To ensure their effectiveness, the Emergency Preparedness & Response Plans, along with associated procedures and practices, underwent periodic simulations. These simulations involved relevant stakeholders and interested parties as appropriate, allowing for real-time testing and evaluation of the plans' efficacy.

Fire safety measures were diligently upheld by implementing various strategies. This included the provision of fire-fighting

equipment and early detection sensors to promptly identify and respond to potential fires. Fire safety audits were conducted to ensure compliance with safety standards, while training programs and information sharing initiatives were organised to enhance awareness and knowledge about fire safety among employees. Additionally, areas prone to fire hazards were clearly marked with hazard information for easy identification and cautionary measures.

## Security

Ensuring the security of our employees is of utmost importance to us. We recognise that a safe and secure work environment is vital for their well-being and productivity. To prioritise employee security, we have implemented robust measures and protocols to identify and address potential risks.

The risk management framework was utilised to assess security risks associated with geopolitical developments, aiming to safeguard the well-being of workers, the local community

and infrastructure. By analysing and evaluating potential security threats, the Company proactively identified measures to mitigate these risks and ensure the safety and security of all stakeholders involved. APSEZ implemented a multi-layered security system comprising physical security measures, regular patrolling and advanced monitoring utilising drone technology. This comprehensive approach was designed to enhance security across its facilities and operations. Additionally, APSEZ collaborated with the Indian Coast Guards to strengthen maritime security, ensuring the monitoring and protection of coastal areas. By adopting these measures and establishing collaborative partnerships, APSEZ prioritised the safety and security of its assets, employees and the surrounding environment.

Periodic Sagar Kawach exercises were conducted in collaboration with the Indian Navy, Coast Guard and Marine Police to assess and enhance preparedness levels. These exercises served as valuable opportunities to test the response capabilities of various stakeholders and ensure effective coordination in emergency situations. Furthermore, the Company played an active role in disseminating timely safety warnings to local communities



and fishermen, helping them stay informed and prepared for any potential safety hazards. By prioritising proactive measures and community engagement, APSEZ demonstrated its commitment to the safety and well-being of all stakeholders involved.

### Our OHS performance in FY 2022- 23

APSEZ acknowledges the pivotal role of healthy and productive personnel in driving sustainable development. Recognising that occupational health is crucial for the social and economic productivity of individuals, companies, communities and nations, the Group places significant emphasis on promoting and maintaining the well-being of its workforce. The Company persisted in its endeavours to enhance its operational safety management system by diligently analysing various health and safety data points. This proactive approach allowed the Company to identify areas of concern or hot spots, enabling them

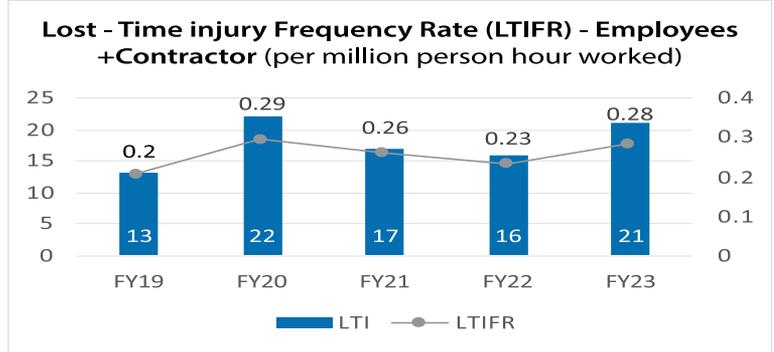
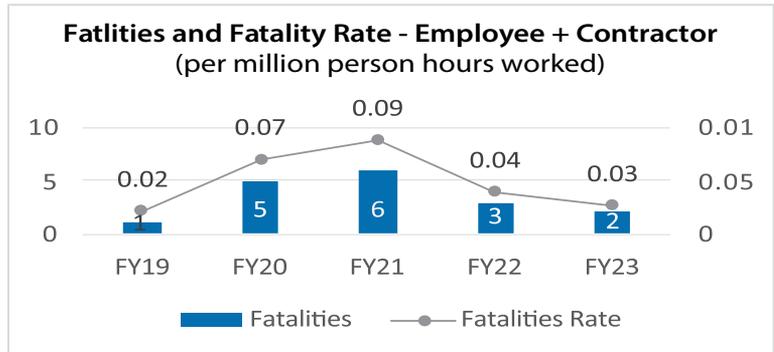
to strategise and implement preventive measures accordingly. Furthermore, the insights gained from this data analysis facilitated targeted training initiatives and provided the necessary support to empower employees in maintaining a safe working environment. By leveraging data-driven insights, the Company prioritised continuous improvement in its safety practices, ensuring the well-being of its workforce.

In fiscal year 2022-23, a significant number of 111,744 concerns were reported online through the Adani GENSUITE platform. This online reporting system facilitated the automatic notification of site or department, allowing for prompt identification of trends and leading indicators in health and safety. Unfortunately, in FY

2022-23, we witnessed 2 fatalities among contractors. To prevent future occurrences, the Company conducted a thorough investigation to identify the underlying cause and developed effective mitigation plans. The insights and lessons learned from this investigation were then communicated to employees and contractors, emphasising the importance of avoiding similar lapses in the future.

**Identification of manmade and natural emergencies and associated risk for employees, community, and infrastructure**

- Identification of probable effect of on-site and off-site
- Inspection and maintenance requirement
- Emergency evacuation procedure, including type of evacuation and exit route assignments such as floor plans, workplace maps, and safe or refuge areas.
  - Emergency communications system
- Managerial responsibilities for emergency preparedness, response and investigation
- Identification and collaboration with mutual aid partners and government authorities
- Continuous training of emergency response teams, all employees and community
  - Mock drill and EPRP review
  - Recording and reporting requirement during and after the emergency



**Critical safety areas**

- Road Vehicle Driver Traffic Safety
- Man-Machine interventions
  - Electrical Safety
  - Working-at-height activities

**Safety incidents occurred in FY 2022-23**

- Material Handling
- Man-Machine Interventions

Safety incident description	Actions taken to strengthen safety
<p>An empty container was to be delivered through Terex-08 on a byroad trailer. Terex-08 picked the container at 5A and placed it on the by-road trailer. Checker confirmed delivery in the mobile at 10:55hrs and went to 5C to attend to the next delivery. Terex-08 operator observed that the byroad driver reversed and immediately forwarded the trailer in a suspicious manner. Terex-08 operator moved the equipment forward and noticed IP on ground with injuries. He rushed to the office and passed information for help. An Ambulance reached the spot; IP was shifted to Apollo Hospitals in an unconscious condition. In the ICU, the Doctor declared IP had succumbed to death.</p>	<p>CAPA derived and horizontally deployed across all the sites</p> <ol style="list-style-type: none"> <li>1. No reverse movement allowed in the operational area and all drivers to be sensitised accordingly.</li> <li>2. Advise marketing team to enforce a policy of fit vehicles only be allowed for operations and circulate the same to the transporter.</li> <li>3. No messaging and texting permitted while on the work floor.</li> <li>4. Administrative controls like sign boards, route markings, do's &amp; don'ts in multiple languages (English, Telugu, Hindi &amp; Tamil) to be provided in the yard to guide drivers.</li> <li>5. Checker should be always accompanied with the RS Equipment and no pedestrian movement in yard during operations.</li> </ol>
<p>On 11th May, 2022, 00:18 Hrs, In Motion Weigh Bridge (IMWB3) Operator (DP) noticed an 'Error' in the In-Motion Weighment Controller System. DP (M/47) went on to the track to check the physical condition of the track switches, as it was drizzling, as evidenced from CCTV and he was trying to wipe the sensor. There was sufficient illumination and CCTV coverage of the area. He tried twice to rectify on his own by cleaning the switches. As he couldn't get it rectified, he informed the concerned persons in Engineering Services for the rectification. Meanwhile, DP went on to check the physical condition of the track switches for the third time. At the same time, a LOCO was passing on the same track and hit the DP. DP rolled over resulting in immediate death.</p>	<p>CAPA derived and horizontally deployed across all the sites</p> <ol style="list-style-type: none"> <li>1. Crossover bridge to be provided to access IMWB -3 / or the location of the IMWB room should be changed to a safe location.</li> <li>2. There should be enough walkie talkies / radios to minimise communication gaps and all of them should be aligned in one channel about the rake movement.</li> <li>3. IMWBs play very key role for Movement of Railway system. IMWB should be taken in loop.</li> <li>4. PTW system should be implemented.</li> <li>5. Training for railway safety with a specific role for all persons involved.</li> <li>6. Additional horn for the point man to alert potential danger on the railway line.</li> <li>7. Daily basic checks prior to starting the engines.</li> <li>8. CCTV coverage in full day/night should be provided alongside the track with PA system.</li> <li>9. Whenever the rake / train is passing, the signal should be at 'danger'</li> </ol>

The reported accidents data encompassed all incidents that occurred within the SEZ boundaries, including accidents involving agencies hired for temporary or short-term assignments. This includes truck operators delivering goods, civil contractors engaged in construction work and other contracted agencies. In several instances, these fatalities resulted in significant fines or penalties for the contractors and service providers involved, as per the terms outlined in their contracts. This enforcement was implemented to ensure the adoption of high-quality Occupational Health and Safety (OHS) practices.

	Fatalities		
	Employee	Contractor	Total
FY 19	0	1	1
FY 20	0	5	5
FY 21	0	6	6
FY 22	0	3	3
FY 23	0	2	2

	LTI Details		
	Employee	Contractor	Total
FY 19	7	5	13
FY 20	11	11	22
FY 21	3	14	17
FY 22	5	11	16
FY 23	7	14	21

Total person-hours worked in FY 2022-23:

**Employees: 5,630,575; contractors: 7,01,63,782**

In fiscal year 2022-23, APSEZ implemented several additional safety interventions to further enhance health and safety measures. These interventions aimed to mitigate risks, promote a safer work environment and prevent accidents. Some of the key safety interventions introduced during this period included:

- Implementation of segregated lanes for pedestrians, cyclists and two-wheelers to enhance road safety.
- Installation of speed breakers at median crossings on the main road to promote safer crossing for pedestrians.
- Strict enforcement of speed limits and regular checks for drunk driving to ensure responsible and safe driving practices.
- Stringent enforcement of the ban on cell phone usage while driving to minimise distractions and maintain a focus on the road.
- Ensure strict adherence to wearing crash helmets and seat belts for all vehicle occupants to enhance personal safety.
- Installation of cameras and convex mirrors at all sharp turns and blind zones to improve visibility and prevent accidents.
- Conducting mandatory training

sessions and Toolbox Talks (TBT) for all drivers, along with short-term awareness training for all port users.

- Developing separate infrastructure in compliance with the standard practices outlined in the country's traffic rules.
- Building quick response skills for external drivers, which presents a significant challenge but is crucial for prompt action during emergencies.
- Maintaining vegetation in a manner that avoids encroachment on the main road to ensure clear visibility and prevent obstruction.
- Avoiding the plantation of new vegetation near the road to prevent potential hazards and maintain a clear path.
- Reviewing the arrangements during the design phase to prevent Rubber-Tyred Gantry (RTG) cranes from traveling beyond battery limits.
- Including emergency management in the commissioning protocol and reviewing it to prevent or minimise RTGs from traveling beyond battery limits.
- Conducting a comprehensive review of the existing emergency response plan at the site to ensure its effectiveness and readiness.

- Developing rescue operations protocols for individuals trapped in crane cabins and equipping personnel with heavy cold metal cutters for efficient rescue.
- Providing immediate medical emergency assistance in cases where someone is trapped, and rescue operations are delayed.
- Ensuring the availability of specialised medical services to promptly address critical injuries.
- Taking proactive measures to save lives, particularly considering the importance of the golden hour in emergency situations.
- Conducting technical studies on winds and weather conditions and implementing warning systems specifically for norwester winds.
- Implementing a ban on the entry of vehicle cleaners/helpers into the port/control area and improving road infrastructure around weigh bridges.
- Barricading the area to allow only one lane towards the weigh bridge and preventing unauthorised truck entry from any point in the queue.
- Aligning the route of vehicles to have a single entry and exit point, installing crash barriers on both sides of the road and ensuring ample illumination in weigh bridge areas using extra high-mast lights.

# Digital resilience: Fortifying Adani's infrastructure against cyber threats

## Overview

As we continue to digitalise and shift our business model to incorporate technology, we recognise the increasing risk of cybersecurity related incidents. Work-from-home put cybersecurity at risk considering the prospect of data breaches following confidential data flow across online pathways. Recent global events such as the COVID-19 pandemic has coincided with a rapid increase in cyber incidents, including ransomware, one of the highest growing cybercrimes.

In the present scenario, digital technology has graduated beyond automation to data simulation and manipulation to derive superior outcomes. Continuous technology upgradation empowers users to proactively anticipate and respond to capitalise on opportunities, market volatility, competitive openings and customer needs. APSEZ has consistently gone ahead with technology investments to moderate costs, acquire real-time information, empower informed decision-

making, accelerated workflows, reinforced information security and offered employees the option of secure remote working.

## Cybersecurity governance

APSEZ has a cybersecurity policy in place that covers all aspects of cyber risk for IT and business areas. We are committed to establishing and improving cybersecurity posture and minimising our exposure to such risks. A robust governance mechanism has been established to manage the cyber risk inherent in business processes and information assets through monitoring mechanisms and rigorous reviews.

We have constituted an Information Technology & Data Security (IT & DS) Committee at the Board level, comprising only of Independent Directors. As of 31st March, 2023, the IT & DS Committee consists of three Independent Directors. The Committee is chaired by Ms. Nirupama Rao, an accomplished Indian diplomat renowned for

her pivotal role in fostering the India-US partnership in IT and cybersecurity. With her extensive experience in shaping policies that promote collaboration between the two countries in this field, Ms. Rao brings invaluable expertise to the committee's leadership. A detailed charter of the IT & DS Committee is available on the website of the Company at <https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/board-and-committee-charters/APSEZL---IT--DS-Committee-Charter>. The primary objective of this Committee is to provide oversight to APSEZ's information technology use and protection, review the policies, plans and programs related to enterprise cybersecurity and data protection risks associated with the Company and IT infrastructure.

A dedicated organisation function headed by the Chief Digital Officer (CDO), reporting to the CEO is responsible for overall management of the IT, IT System, digitalisation and cybersecurity functions, supported by a team at the Adani Group level.

## Cyber risk management

We are considering risks related to cybersecurity as emerging risks and the main responsibility of the risk management committee is to monitor and review the risk management plan of the Company, to review the current and expected risk exposures of the organisation, to ensure the same are identified, qualitatively and quantitatively evaluated, analysed and appropriately managed. Our cyber risk assessment framework is aligned to Information Security Management System (ISO 27001) and its processes are in tandem with our enterprise risk management framework.

## Cybersecurity process and infrastructure

At APSEZ, we have a robust plan of IT security infrastructure to ensure that we minimise our vulnerabilities. Business continuity mechanisms were built into the information systems by including redundancy and high availability features at multiple levels. We rolled out ISO 27001:2013 – Information Security Management System (ISMS), across all sites in line with our information security policy. A cyber defence centre was set up, operational round-the-clock to proactively detect and respond to cybersecurity incidents.

The Information Technology & Data Security (IT & DS) Committee is responsible for the following:

- Reviewing and overseeing the function of information technology in implementing the latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated.
- Reviewing and overseeing actions taken by IT and cyber teams with respect to the protection of critical data and policies for data protection and sustainability

- Overseeing the cyber risk exposure of the Company and developing future cyber risk approaches
- Reviewing annually the Company's cybersecurity breach response and crisis management plan.
- Reviewing reports on any cybersecurity incidents and the adequacy of proposed action
- Assessing the adequacy of resources and suggest additional measures to be undertaken by the Company.
- Reviewing cyber risks posed by third parties including outsourced IT and other partners.
- Annually assessing the adequacy of the Group's cyber insurance cover.

Adani Group is engaging with an independent agency to perform an audit of data privacy and as mentioned in cybersecurity policy. APSEZ undergoes annual IT General Controls (ITGC) and ISO/IEC 27001:2013 internal and external audits to fulfil compliance obligations. These audits are conducted to ensure that APSEZ adheres to the required standards and regulations. Additionally, the Adani Group Management Assurance Team performs various audits to assess APSEZ's compliance and control status, providing valuable insights into the organisation's overall posture.

## Incident management and response

APSEZ conducts 'Incident Response' testing twice in a year. We also established a 24x7 security operation centre to detect and manage incidents. High availability and disaster recovery are applied to all critical applications. In addition, we conduct third-party vulnerability analysis including simulated hacker attacks.

At APSEZ, there is a clear escalation process in place if any

cybersecurity related breaches are observed by employees. Any such issues or concerns noticed by the employees or contractors working within APSEZ network could be reported through a digital platform available internally. In addition, there are dedicated telephone lines and email IDs available wherein employees can register their concerns or issues which are tracked on real-time basis and resolved as per the escalation matrix and defined timeline. Any complaints or reporting of likely loopholes in IT system and processes and incidences of misuse of them could also be reported through the grievance management system which is available to all internal and external stakeholders.

## Consequence management on non-compliance

To ensure compliance with IT and cybersecurity guidelines and to address any breaches or violations of company data and information, the Company has implemented a well-defined protocol for consequence management. To mitigate data leaks, all laptops and desktops within the Company are equipped with data leak protection agents. Additionally, emails sent to external domains and files uploaded to external websites undergo thorough inspection to detect any potential data leakage. If any breach is identified by the dedicated information protection group (IPG), it is immediately escalated within the management hierarchy and a timely response is requested. Incidents that do not receive a satisfactory response within the specified timeline are further escalated to the business-unit CEO and Group Head (Cybersecurity) for further action and resolution.

For employees and contract workers, escalation triggers the invocation of the IT Consequence Management Policy, which falls

under the jurisdiction of the HR team. non-compliance instances involving off-roll employees or consultants are referred to the relevant functional or business-unit head, who takes appropriate actions in accordance with the procurement and legal terms, involving the concerned vendor or partner as necessary.

### Business continuity plan (BCP)

The site level emergency response and disaster recovery plans are used in the case of natural disasters and other threats which affect port and SEZ operations. This plan is used for disasters affecting the cybersecurity infrastructure or applications of APSEZ. We define a BCP event as a situation resulting in unavailability of people, facility and technology required for ensuring continuity of IT services required by the business to continue its operations and service the customers. Our business continuity plan also defines the crisis management organisation structure and the roles and responsibilities along with recovery and resumption procedures.

The BCP kicks in when the APSEZ management invokes the recovery strategies during a disaster or emergency. The system provides

continuity, adds resilience and allows for an efficient and timely resumption of the interrupted business, understand tasks and responsibilities of individual departments in resumption, recovery, restoration and return, understand the resources required for critical department in the recovery mode and understand the vital records required for critical department to resume business. We conduct regular testing of these plans and procedures at least semi-annually.

The Chief Information Security Officer (CISO) oversees the Business Continuity and Disaster Management Plan and is responsible to meet the requirements for critical technology and cybersecurity components. The CISO is also responsible to conduct assessment of any system upgradation required and any consultation with the technology partners and other stakeholders.

### Cybersecurity awareness and capability building

APSEZ has mandated annual trainings on cybersecurity for all the employees and conducts it with utmost rigor and sincerity. In FY 2022-23, we trained 3052 employees in cybersecurity. Any deviation will be dealt with as per applicable procedures laid out in

relevant guidelines and policies. Also, awareness programs on information security are available to all employees and wherever applicable to third parties e.g., sub-contractors, consultants, vendors etc.

In the fiscal year 2022-2023, the cybersecurity team has successfully implemented various measures to enhance the organisation's cybersecurity. These include privileged access management (PAM), security orchestration, automation and response (SOAR), cloud security posture management (CSPM), multi-factor authentication (MFA) and web application firewall (WAF). These initiatives aim to bolster the organisation's overall cybersecurity posture.

Additionally, the IT team implemented several systems to improve business processes. These include grievance management systems (GMS), integrated transport utility platform (ITUP), ransomware protected backup solution (Commvault AirGap) and gate operating systems (GOS). These implementations were carried out to streamline and optimise various aspects of the organisation's operations.

Implementation of Privileged Access Management (PAM) enables the management and monitoring of privileged accounts' accessibility	Security orchestration, automation and response (SOAR) are implemented to automate security operations	Cloud security posture management (CSPM) is implemented to effectively manage cloud-related risks and automate compliance monitoring
Multi-factor authentication (MFA) is implemented to enhance the authentication and authorisation process for user accounts	implementation of a web application firewall (WAF) safeguards the Adani Ports website against cyber-attacks	Grievance management system (GMS) is implemented to collect information pertaining to grievances from both internal and external stakeholders
	The ransomware protected backup solution safeguards data against ransomware threats or attacks	The implementation of gate operating systems (GOS) at Mundra Port automates gate operations and facilitates online fee collection for vehicles entering the port premises.

## Value offered to customers - safety, speed and delight

Safety	Speed	Delight
State-of-the-art technologies and best-in-class infrastructure that adhere to strict safety standards	First mile and last mile solutions utilising port facilities, multi-modal logistic parks, warehousing, rail networks, fully serviced industrial economic zones and product distribution.	Continuously engage with customers to understand their needs and provide customised solutions that meet specific requirements

As one of India's top logistics companies, APSEZ takes pride in enriching our customers' experience through a service-driven mindset. Our diverse range of customers benefits from our end-to-end logistics solutions, which include first mile and last mile solutions, utilising our port facilities, multi-modal logistic parks, warehousing, rail networks, fully serviced industrial economic zones and product distribution. Our services are supported by state-of-the-art technologies, best-in-class infrastructure, automation and efficient time management.

At APSEZ, customer satisfaction is at the core of our business. We strive to provide customised solutions that meet specific needs. For instance, we have dedicated a customised warehouse to store steel coils for one of the largest car manufacturers in India. We believe in being an agile organisation that can respond to changing customer needs and pressures from governments to bring production closer to home.

As an integrated logistics company with downstream supply

chain in our control, we have chosen to leverage our logistics services to provide efficient delivery of cargo at a lower cost, strengthening our customers' logistical competitiveness. Our commitment to providing exceptional logistics solutions that align with our customer value proposition model is a crucial component of our business strategy at APSEZ.

### Customer value proposition model

At Adani Ports and Special Economic Zone Limited (APSEZ), we are committed to providing our customers with the best logistics solutions to help their business growth. Our customer value proposition model is centred around understanding the needs of our customers and providing them with world-class infrastructure, state-of-the-art technology and superior service.

Our customer value proposition model comprises of three major components:

### Customer segment

As one of India's top logistics companies, APSEZ we serve

a diverse range of customers such as exporters, importers, shipping lines and other logistics companies.

### Value proposition

Our extensive range of services includes cargo handling, storage and transportation, as well as value-added services like customs clearance, warehousing and container repair. We always strive to cater to customers unique needs by offering our customers with a range of port-related services, including cargo handling, storage and transportation, as well as value-added services such as customs clearance, warehousing and container repair.

### Differentiation

We differentiate ourselves from our competitors by offering a vertically integrated business model, which enables us to provide end-to-end logistics solutions to our customers. Additionally, our strategic location on India's coastline allows us to offer faster transit times and lower transportation costs, giving us a competitive advantage in our industry.

Input	APSEZ activities	Output	Outcome
<b>Manufactured Capital</b>	<b>Integrated model</b>		
- Plug and play infrastructure - Provide port, logistics and SEZ ownership	- Ports - SEZ - Logistics	- Revenue predictability - Guaranteed turnaround time - Low cost	- Safety - Speed - Delight - Stronger pricing power - Customer retention

INPUT	APSEZ activities	OUTPUT	OUTCOME
<b>Intellectual Capital</b>			
<ul style="list-style-type: none"> <li>- Automated Cargo tracking</li> <li>- Single-window service</li> <li>- Data driven analytics</li> <li>- Cost tracking tool</li> </ul>	<ul style="list-style-type: none"> <li>- Container tracking</li> <li>- System Services</li> <li>- Portal's systematic data recording and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>- Low turnaround time</li> <li>- One-stop service</li> <li>- Systematic data management and presentation</li> <li>- Real-time cost estimation</li> </ul>	<ul style="list-style-type: none"> <li>- Faster operations</li> <li>- Ease of doing business</li> <li>- Timely decision making</li> <li>- Customer trust</li> </ul>
<b>Natural Capital</b>			
<ul style="list-style-type: none"> <li>- Shore power</li> <li>- Waste disposal systems</li> <li>- Access to energy</li> <li>- Water management</li> </ul>	<ul style="list-style-type: none"> <li>- Grid power to tugs</li> <li>- 5R-based waste collection and disposal</li> <li>- 24x7 power supply</li> </ul>	<ul style="list-style-type: none"> <li>- Electrification</li> <li>- Zero waste to landfill</li> <li>- Continued operations</li> </ul>	<ul style="list-style-type: none"> <li>- Emission reduction</li> <li>- Waste management</li> <li>- Customer satisfaction</li> </ul>

### Building long-term relationships with customers

Our primary goal is to establish a long-lasting partnership with our customers by providing reliable, efficient and cost-effective logistics solutions. To achieve this objective, we have implemented several initiatives over the years to enhance our services.

One of our most notable initiatives is the 'smart port' initiative' that leverages the internet of things (IoT) devices to offer seamless multimodal convenience through data analytics. By using advanced technologies such as automated performance measurement system (APMS), systems applications and products in data processing (SAP) and mercury, we can provide real-time visibility into

the cargo value chain and improve customer service. Additionally, our web-based mobile application (vessel cargo tracking) empowers customers to monitor the status of port-based vessels and cargo.

### Investing in digital technology

We recognise the importance of investing in digital technology to improve our services continually. Our innovative approach to utilising cutting-edge technologies in unprecedented ways has revolutionised the port operations, setting us apart from the competition. By combining advanced software with top-notch infrastructure, we can provide exceptional customer service.

At Mundra port, we have leveraged technologies such as the internet of things (IoT),

drones, long range radio (LoRA), video analytics and complex optimisation algorithms to enhance efficiency and security. These technologies work together seamlessly to provide a faster, safer and more delightful experience for our customers.

We are committed to making all our ports 'smart' by leveraging advanced technologies to elevate the customer experience continually. Our integrated approach to software and infrastructure has transformed our operations, creating new opportunities for growth and success.

We continuously explore new ways to improve our services and provide a seamless and delightful experience for our customers.

<p><b>LoRA and RFID mesh</b></p> <p>The Company implemented LoRA and RFID mesh technology to establish a wireless network with which sensor devices could connect. It piloted the tracking of high value containers in real-time, monitoring and detection of air pollution, automatic energy management and vehicle movement control, among other applications.</p>	<p><b>3D scanning technique</b></p> <p>3D mapping technique was explored to obtain real-time profiles of bulk piles in the stock yard which could be used for effective yard planning. Using this, the Company measured the area occupied / available for cargo, volume occupied, stowage factor and estimated cargo weight at any given point</p>	<p><b>Integrated transport utility platform (ITUP)</b></p> <p>To strengthen our digital footprint and ensure seamless connectivity to our ports and other logistics infra, we are developing an integrated transport utility platform (ITUP) for our customers. Major e-commerce players already have a platform that tracks ordering, packaging, delivery and post-delivery.</p> <p>Our ITUP platform while being built for end-to-end connectivity, measures the productivity of the mentioned activities and records any deviation in real time.</p> <p>We envisage that our ITUP will be an integrated platform, which will act as a marketplace for all customers and suppliers.</p> <p>It will provide complete visibility on the entire chain of custody of consignments, options on the logistics cost, delivery time, carbon footprint and so on.</p> <p>The system will put customers at the centre and enable decision-making in their hands, enabling a complete transparency for the ease of doing business.</p>
<p><b>Algorithmic optimisation</b></p> <p>The Company tested algorithmic optimisation to create dynamic vessel plans implemented through a central control room for the optimal utilisation of port equipment.</p>	<p><b>Video analytics</b></p> <p>To minimise human intervention errors, advanced video analytics were used for test cases including intrusion, tempering, over-speeding, trespassing, fire, smoke, colours, number plate identification, vehicle identification and crowd movement etc.</p>	

APSEZ has invested in cutting-edge technologies to enhance the customer experience and create a futuristic approach to our services. We recognise that technology is rapidly evolving and are committed to staying ahead of the curve to better serve our customers. Investment in technology has helped us reduce operational costs, enhance productivity and efficiency and improve the sustainability of our operations.



Technology			
<b>Superior information access</b> Our IT systems provided the following information – Cargo status report; SMS-based VCN status; Vessel declaration and auto PAA; auto alerts on compliance; vessel closure and NOC; weather reports on SMS		<b>Auto-steering for RTG</b> We installed a laser-based feedback system that minimised the zig-zag movement of RTGs. The stack profiling system analysed the height of the stack and prevented collision with RTGs through automatic immobilisation, enhancing safety and equipment efficiency.	
<b>Remotely operated robotic e-RTG</b> We employed cranes in our ports that could be operated remotely, enhancing our technology capability		<b>Dredger technology modification</b> When maintenance dredgers became critical, we converted a CSD to WID without external fabrication, saving crores of rupees in capital expenditure.	<b>Container Position Detection System</b> We modified existing e-RTGs to account for 50,000 possibilities of a container in our yard and relayed to the TOS, avoiding delays and errors
Relevance			
<b>Complex cargo management</b> We developed the expertise in handling special cargo ranging from metro rail bogies to helicopters, cranes and wind turbines, among other applications.	<b>Berthing capacity</b> We developed a capability to address futuristic vessels – especially large - at the design stage, future-proofing our ports.	<b>Neem oil urea coating facility</b> We developed a facility to handle 35,000 MT of coated urea per day, capable of filling 11 rakes of 52 wagons each, in line with the national priority for the fertiliser sector	<b>Anti-lift mechanism for twin 20 ft container</b> We introduced a photo sensor in the management of RTGs equipped to lift two 20 feet containers in one go, enhancing judgment calls and safety.
Innovative and Ground-breaking Technology		Environment friendliness	
<b>First floating Ro-Ro terminal</b> We launched India's first Ro-Ro terminal that could be operated 24x7 even with a sea level variation as high as 6m		<b>Berthing aid system</b> We created a laser sensor system to provide graphical information using customised software (developed at a quarter of the prevailing cost) to provide information (berthing velocity, distance and approach angle) and maintain low berthing velocity (less than 0.1 m/s) to avoid collision.	<b>Automatic hydrocarbon gas detectors</b> We designed a system to detect the number of gaseous hydrocarbons in the ambient air, integrated with the SCADA system to provide real-time information and raise automatic alarms when necessary
<b>Scale</b> <b>Largest dredging capability</b> We developed the largest dredging capacity in India (equivalent to 80 times the Vatican City by size)			<b>Zero vessel waste dump</b> We completely (100%) treated and recycled solid and liquid waste generated by incoming vessels.

### Customer engagement and satisfaction

As a company operating in a highly competitive global business environment, we understand the importance of putting our customers first. We recognise that understanding their hopes and aspirations is critical to building long-term relationships with them. As a result, we prioritise regular customer interactions and surveys to gather feedback on our performance, while also developing services that meet their expectations. We believe that customer satisfaction is a key driver of financial success.

To measure our performance, we use customer feedback as a

barometer and aim to achieve a customer satisfaction score of 4.75/5 by 2025. In our most recent efforts, we conducted a Customer Satisfaction Survey for our upstream and downstream customers in the container cargo, liquid cargo, dry cargo, SEZ, dredging and logistics business verticals. This survey aimed to capture compliance on ESG parameters, alignment with our sustainability goals, gauge customer credentials on various ESG parameters, measure satisfaction levels and identify areas for improvement.

Our Company is committed to continually engaging with customers and using their feedback to improve our services.

The results of our most recent Customer Engagement Survey are listed on the next page. We have modified our survey methodology and associated targets this year to ensure that we capture comprehensive feedback from our customers.



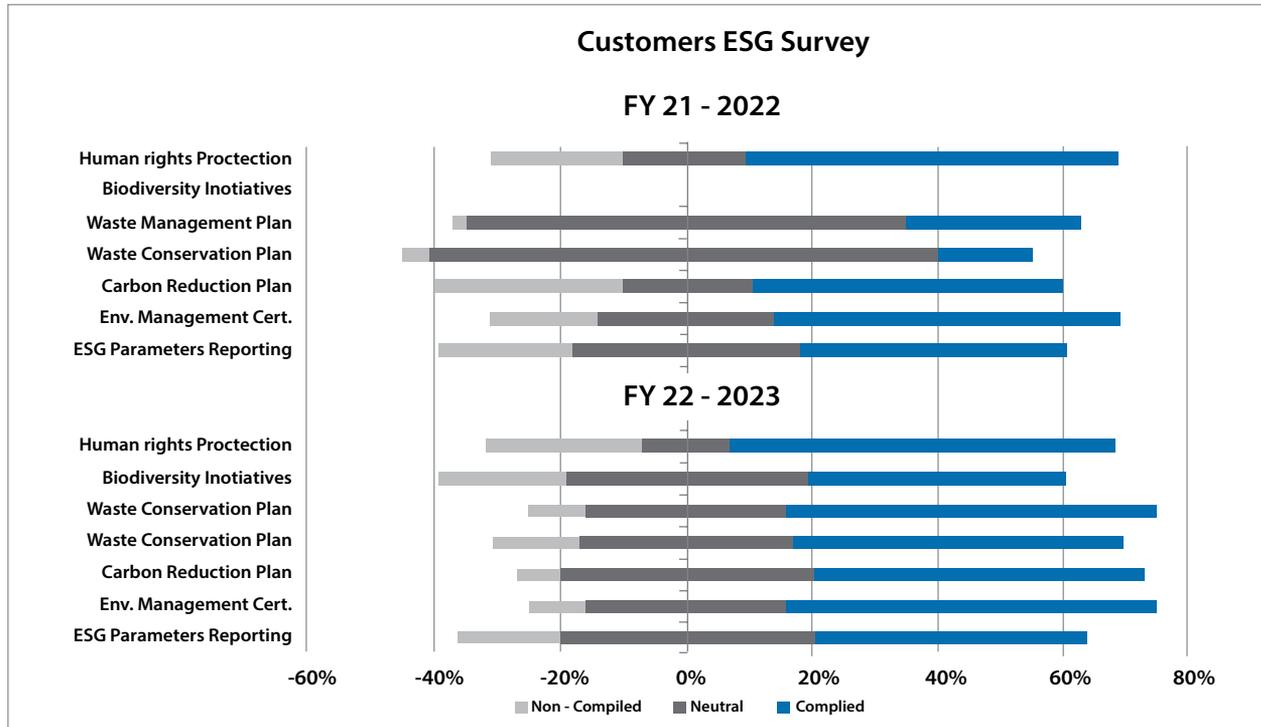
### Survey topics and key findings

A summary of the survey questionnaire sent to customers has been carried below.

Customer's ESG credentials and alignment to APSEZ's sustainability goals	Customer's policy on quality control, health & safety and respect for human rights at workplace, including due diligence, risk identification and management
	Carbon emissions, water use, other environmental indicators, and the corresponding targets
	Certification on environment, safety, annual reporting of ESG parameters, etc.
Infrastructure, operations and allied services	Availability of various dredging equipment
	Condition of the dredging equipment, environmental consciousness, delivering time and accuracy
	IT and Hydrographic survey etc.
Performance and practices	OHS (Occupational Health and Safety) Practices, risk management and evaluation, community engagement, Minimum age and wages of workers, suppliers audit and evaluation of ESG practices
Value enhancement	Environment management system, evaluation of biodiversity related impacts, Pricing, easiness, environmental and social practices, customer feedback, targets for performance improvement etc.
Policy awareness	Whistle-blower policy, Code of conduct, Human Rights guidelines, anti-discrimination, diversity and equal opportunity policy, Supplier code of conduct, Occupational Health and Safety policy, Environmental Policy, Energy and Emissions Policy, Water Stewardship Policy, Waste reuse or recycle policy etc.
Other processes	Parameters influencing the use of our services, suggestions and scope of improvement,

## Customer satisfaction survey results

	FY 20	FY 21	FY 22	FY 23
Customers Satisfaction Score	4.55/5	4.16/5	4.1/5	4.3/5
% of satisfied customers	91	83	82	86
Coverage (%)	100	100	100	100



\*Biodiversity aspects weren't part of FY 2021-22 survey.

## Customer data privacy

APSEZ places importance on protecting the privacy and security of its customers' data. To this end, we developed a comprehensive Cybersecurity Policy that outlines how we manage customer data in accordance with applicable regulations and best global practices. APSEZ recognises that privacy is a fundamental right and is taking suitable measures to ensure that any Personal Identifiable Information is collected and processed as per laws and regulations. Customers and business partners can always connect with us through email and phone to discuss matters related to their personal data.

We inform our customers on the nature of information captured and the use of such collected information.

To ensure robust data protection and secure information sharing, the following measures are in place:

- Critical applications (such as IPOS Container and IPOS Non-Container) undergo data backup and are stored securely for 5 years. Financial documents, on the other hand, are protected and retained for 7 years.
- When needed, specific information is shared with third parties using the Adani Microsoft SharePoint solution, following approval from relevant business

and cybersecurity teams. This ensures controlled sharing of information, adhering to protocols and security measures.

- No customer data is utilised for any secondary purposes, emphasising the commitment to safeguarding customer information and privacy. When it comes to customer data, we only capture what is necessary for raising invoices for the services we render and receipt of payments against those invoices. This includes information such as name, address, email, mobile number, bank account number, PAN and GST number. For active customers, we keep this data in our system and block it after they are no longer using our services.

At APSEZ, we do not disclose any customer information to third parties, except for government agencies as required by law. For example, we may share PAN and GST numbers while filing tax reports and returns. We are proud to report that in FY 2022-23, there were no substantiated

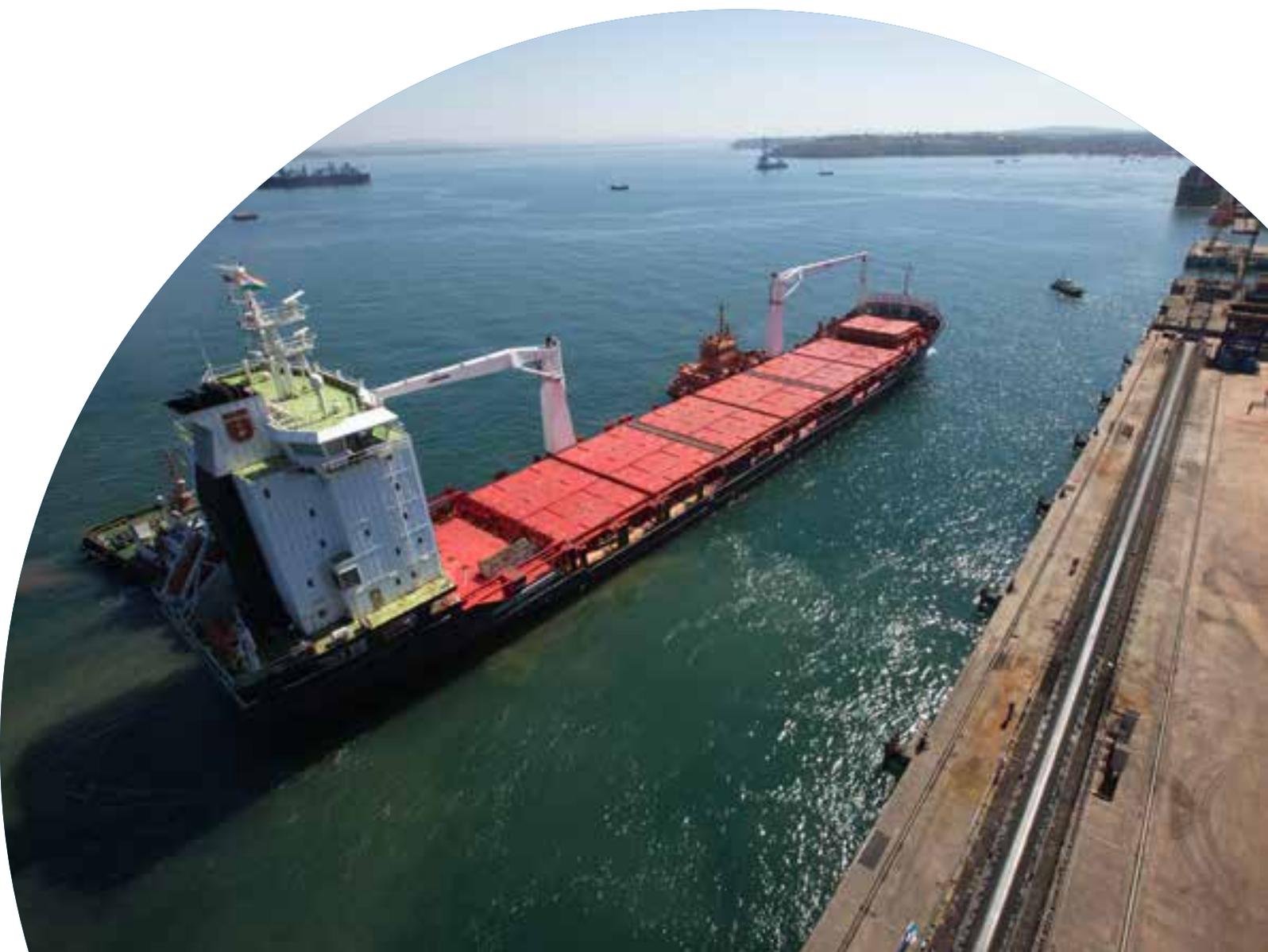
incidents concerning breaches of customer privacy, theft, leak, or loss of customer data or critical information.

To maintain confidentiality of the information is a part of code of conduct laid down by the Company and company

has established zero tolerance mechanism against the violation of the same. In FY 2022-23, there were zero substantiated incidents concerning breaches of customer privacy, theft, leak and loss of customer data or critical information.

### IT security/ cyber security breaches

Year	2020-21	2021-22	2022-23
Total number of information security breaches or other cybersecurity incidents	0	0	0
Total number of data breaches	0	0	0
Total number of customers and employees affected by company's data breach	0	0	0
Total amount of fines/penalties paid in relation to information security breaches or other cybersecurity incident.	0	0	0



# Our prudent risk management framework

## Overview

In today's world, characterised by unforeseen developments and other uncertainties resulting in new/changing risks, it is crucial for any company to pivot its governance framework on a robust and integrated risk management function, entrusted with managing risks with prudence. These risks could stem from economic downtrends, uncertain trade flows, geopolitical events, trade wars, pandemics and other uncertainties.

In 2022, we saw the global COVID-19 pandemic situation subsiding after most population got vaccinated, thereby stimulating the economy and boosting the business. Also, with increasing reliance on technology and work modification, cybersecurity and data privacy related risks are rising

significantly. We recognise that all these factors can directly or indirectly affect our businesses, causing APSEZ to continuously and systematically monitor the risks and elevate them to key corporate risks, when the situation demands. The objective of this de-risking commitment is to ensure business growth even during periods of economic slowdown.

## Governance

Over the years, the Company has instituted a systematic risk management approach. The Board has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee meets at least once in every quarter to review the risk exposure and risk management plan on behalf of the Board. The Audit Committee

has additional oversight in financial risks and controls. The Audit Committee chairman Mr. G. K. Pillai is a non-executive Independent Director, who brings vast experience of transport and logistics sector that helps in building financial policies and strategies. His elaborated experience in various sectors also helps in enriching Board discussions, deliberations, assessments and identification of internal and external risks and mitigation measures including systems and processes for internal control of identified risks and mitigation plan. The major risks identified by the business are systematically addressed through mitigation actions on a continual basis. At the executive level, business risk management is the responsibility of the Head of ESG (Chief Risk Officer) while the responsibility of monitoring

and auditing risk management performance on an operational level lies with the Management Audit & Assurance Services (MA&AS) team which has experienced and professionally qualified accountants, engineers and SAP executives to carry out audits across all functional areas. The MA&AS function directly reports to the Chairman of the

Board. The scope of internal audits includes the review of various ESG control processes, performance metrics and data. Along with that we also conduct audits with the help of an external agency .

**Risk management processes.**

The ESG Head managing the business risk is answerable to the Risk Committee and reports

directly to the CEO to ensure independence from other functions. The Risk Management Committee has three members, all of whom are non-executive directors with two of them being independent directors. All three members of the Risk Management Committee have diverse business experience and vast business risk management exposure.

Parameter	Responsible position	Reporting Line Manager
Highest ranking person with dedicated risk management responsibility on an operational level	Head - ESG	CEO
Highest ranking person with responsibility for monitoring and auditing risk management performance on an operational level	Head - Management Audit and Assurance Services (MAAS)	Chairman

The Executive Management and/ or Risk Management Committee performed the following functions in FY 2022-23:

- Periodic review and approval of various business proposals for their corresponding risks and opportunities.

- Provided guidance over risk supervision, risk assessment and risk management.
- Developed risk assessment and measurement systems.
- Established policies, practices and other control mechanisms to

contain risks.

- Reviewed and monitored the effectiveness and application of risk management policies, related standards and procedures.
- Reviewed and identified risks in cybersecurity and management

**Risk assessment dashboard:**

- Overall location and Company level dashboard
- Categorywise risk dashboards with impact
- Generation of heat maps for each user and function
- Risk trends report and risk severity charts with overall risk severity mapping (H-M-L)
- Location-wise severity
- Bubble charts used to examine impacts and the likelihood of risks on a quarter-to-quarter basis
- Risk severity in risk registers based on a colour coding system
- Access to management users for viewing dashboard for locations and central functions
- Audit trail kept at each level of design
- Auto alerts of risk cards at defined frequency to risk owners and Chief Risk Officer

**The ERM tool comprises the following features:**

During FY 2022-23, the Risk Management Committee conducted 4 meetings. APSEZ's Board-approved Risk Management Policy comprised of material risks identified and assessed by the Company.

The Company set up a policy framework for ensuring better management of risk profile and provided importance to prudent project (conceptualisation, implementation and sustenance) practices, putting in place suitable risk mitigation measures. The risk management framework

of APSEZ sought to minimise the adverse impact of risks on key business objectives and enabled the Company to leverage opportunities. The Company designed and operated its risk assessment model that took quantitative and qualitative data into account.

**Our Risk Identification & Risk Assurance process consists of the following****Risk Identification**

Industry risk, technology risk, political risk, financial risk, regulatory risk, Climate risk (physical & transition), reputational risk and social risk

**Risk Assurance**

Risk exposure, risk appetite, audit, monitoring and disclosures

**The following are the prominent risks and responsibilities as estimated by the Board Committee**

Risk	Nature of risk	Strategic objectives impacted	Responsible Executive Management Team
Industry risk	External	Ensures financial flexibility; maintains long-term optionality	Business Development Head of each SBU & Team
Technology risk	Operational	Focuses on people, planet and prosperity; optimises overheads, costs and capital expenditure; Improves portfolio quality	IT Head (CDO) and IT & Data Security Committee
Political risk	External	Ensures financial flexibility; maintains long-term optionality	Site CEO's office, CEO's office and corporate affairs
Regulatory risk	External	Improves portfolio quality; maintains long-term optionality	Regulatory team
Competition risk	External	Ensures financial flexibility; maintains long-term optionality	Site CEO's office and business team
Geographic focus risk	Strategic	Optimises overheads, costs and capital expenditure; improves portfolio quality; maintains long-term optionality	Site CEOs, COOs and CEO-APSEZ
Climate risk (physical & transition)	Operational	Focuses on infrastructure vulnerability, competitiveness, people, safety and resource availability (water and power); optimises overheads, costs and capital expenditure	ESG team and CEO-APSEZ
Land availability risk	Strategic	Focuses on people, safety and sustainability; optimises overheads, costs and capital expenditure; improves portfolio quality; maintains long-term optionality	Strategy team, land team and projects
Timely project commissioning risk	Operational	Optimises overheads, costs and capital expenditure; improves portfolio quality; maintains long-term optionality	Operations head of each SBU

Risk	Nature of risk	Strategic objectives impacted	Responsible Executive Management Team
Human rights risk	Strategic	Focus on people, planet and prosperity; maintains long-term optionality	ESG team
Debt repayment risk	Strategic	Ensures financial flexibility; optimises overheads and capital expenditures; maintains long-term optionality	Head, Finance
Returns risk	Strategic	Ensures financial flexibility; maintains long-term optionality	CEO's office
Liquidity risk	Strategic	Ensures financial flexibility; Maintains long-term optionality	Head, Finance
Controls risk	Operational	Focuses on people, safety and sustainability; optimises overheads, costs and capital expenditure; improves portfolio quality	CEO's office

### Risk review

During FY 2022-23, APSEZ proactively worked on preventive measures and mitigation plans for the risks identified to have impacts on the Company. APSEZ has identified risk appetites to facilitate risk review and

reporting. This outlines the level of acceptable risk we have defined for the achievement of our goals. It is decided by the risk management team and is approved by the risk management committee with majority independent Board members. The risk management team

conducts a quarterly assessment of the actual risk exposure and compares it with the acceptable level for various business goals. The gaps identified, if any, are highlighted accordingly to the management and reported to the risk management committee.

### The following are the prominent risks and responsibilities as estimated by the Board Committee

Goals	Key decisions	Risk appetite & risk management priorities
Strategic	New market entry, diversification, M&A, etc. aimed at improving growth prospect and profitability	Low to balanced risk to meet our strategic goals Prioritise strong risk identification and management
Operational	Investment in equipment, human capital, raw material, etc.	Low risk to avoid negative impacts on operations Implement robust risk management processes & systems
Financial	Decision on financing, leverage, forex exposure, etc.	Low risk to limit any downside on our profit margins Implement robust risk management processes & systems.
Regulations	Compliance with regulations on environmental, health & safety, CRZ, Exim etc.	Zero compromise, averse towards any risk Have robust compliance measures
Sustainability/ climate change	Low carbon transition, energy efficiency, resource efficiency, etc.	Low to balanced risk so as to meet our sustainability objective as well as maintain profitability Long-term assessment and planning for climate change risks & opportunities

## Sensitivity analysis

The results of sensitivity analysis carried by changing driver metrics linked to various financial and operational parameters are presented below. During this assessment, all the parameters, other than the driver metric in consideration, were kept constant. As highlighted in the table below, a one-day closure of APSEZ's

Mundra port and corresponding loss of revenue would result in ₹15 crore decline in profit before tax. A similar one-day closure of all the ports of APSEZ would cause a loss of around ₹47 crore. With increasing climate change, it is likely that the intensity and frequency of extreme weather events will increase in future which may result into greater disruption of ports operations.

We have conducted assessment of climate vulnerability and risk exposure of 12 ports of APSEZ considering scenarios of the UN's Intergovernmental Panel on Climate Change (IPCC)". Based on the assessment, a detailed adaptation plan has been created for four of the most at-risk ports of APSEZ. For details, please refer to the latest TCFD reports at the APSEZ website.

Driver	Change	Impact on	Amount (in ₹ crore)
Revenue	+/- 1%	Profit before tax	+/- 224
Operating expense	+/- 1%	Profit before tax	-/+ 57
Depreciation, amortisation and impairments	+/- 1%	Profit before tax	-/+ 34
Salaries and other employee expense	+/- 1%	Profit before tax	-/+12
<b>Climate risk like disruption of port operation from cyclone, extreme heatwave, etc. at:</b>			
- Mundra port (our largest port)	1 day	Profit before tax	- 15
- All ports	1 day	Profit before tax	-47
Interest rate	+/- 50bp	Profit before tax	-/+ 44
<b>Foreign currency risk</b>			
- INR / US\$	+/- 1%	Profit before tax	-/+ 98
- INR / EUR	+/- 1%	Profit before tax	-/+ 6
- INR / JPY	+/- 1%	Profit before tax	-/+ 5

The identified risks for near to medium-term (less than 10 years) are prioritised based on their likelihood and magnitude of potential impact on our business. The risk appetite threshold is also considered while we prioritise the risks identified.

Risks & their description	Likelihood of occurrence	Magnitude of potential impact	Prioritisation of risk	Mitigating actions
<b>Political risk</b> This comprises the risk of a change in the government that could review existing policies	High Change in state and central governments is a part of India's democratic process	Low There has been consistency in business policies even with changes in governments in the past	Low	As a policy, we maintain a neutral stance and refrain from taking sides or making any political contributions. We already operate across various states in India which are governed by different political parties.

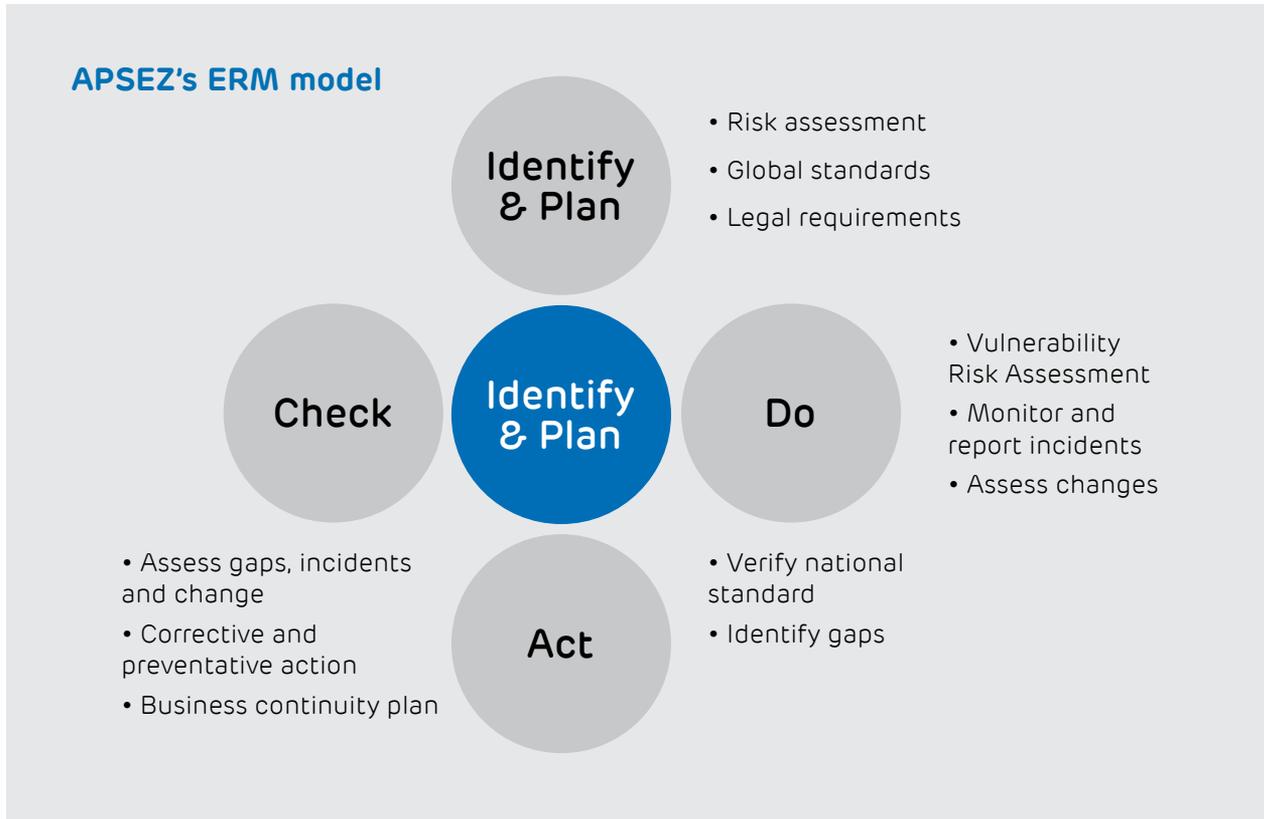
Risks & their description	Likelihood of occurrence	Magnitude of potential impact	Prioritisation of risk	Mitigating actions
<p><b>Regulatory risk</b></p> <p>The business is marked by permissions and restrictions across countries that could affect trade flows</p>	<p><i>Medium</i></p> <p>As we increase our footprint in geographies along global trade routes, we expect multiple regulatory requirements applicable on us and hence there will be increased exposure to regulatory risk</p>	<p><i>Medium</i></p> <p>The impact is expected to be limited because of our presence across diverse locations</p>	<p><i>Medium</i></p>	<p>Prior to engaging in mergers and acquisitions (M&amp;A), business acquisitions and the execution of greenfield projects, we conduct thorough ESG due diligence. We obtain all regulatory approvals and maintain compliance during construction and operations.</p>
<p><b>Competition risk</b></p> <p>The business could attract a sharp increase in competitive ports for cargo</p>	<p><i>Low</i></p> <p>We see higher competition risk exposure in our operations located outside India. Within India, we are the largest private player and currently face competition from government ports</p>	<p><i>Low</i></p> <p>Our major share of business comes from India where we see less risk of competition</p>	<p><i>Low</i></p>	<p>We have tried to stay ahead of competition by being agile and efficient, adopted new technology on digitisation and automation and the global best practices on ESG including on climate change and corporate governance.</p>
<p><b>Financial risk</b></p> <p>The business could see decline in credit quality, liquidity position or face operational issues which may affect company financials</p>	<p><i>Low</i></p> <p>Our Balance Sheet is strong, we enjoy good credit rating from top rating agencies and have healthy cash flow from our business</p>	<p><i>High</i></p> <p>The impacts could be high given the growth phase we are currently in.</p>	<p><i>Medium</i></p>	<p>We employ financial prudence in investment decision making, the debt covenants are maintained well within threshold and there is a strong audit and control system</p>
<p><b>Climate risk</b></p> <p>The business may face higher physical risks from climate change and transition risk from low carbon economy in future</p>	<p><i>Medium</i></p> <p>Ports are exposed to sea-level rise, extreme temperature and extreme weather events like storm and storm-surge. Transition risks arise from requirement to reduce direct emissions and the emissions in the upstream and downstream value chain.</p>	<p><i>Medium</i></p> <p>Being a part of infrastructure intensive sector, the damage cost and the investment required to make transition could be significant.</p>	<p><i>Medium</i></p>	<p>We have committed to achieve carbon neutrality by 2025 and net-zero thereafter. We plan to install around 250MW renewable capacity and develop infrastructure for shore-power and LNG storage.</p> <p>We have carried out a comprehensive climate risk assessment for 12 ports. Based on the findings of the climate risk assessment, we are implementing the necessary adaptation measures to mitigate and manage these risks.</p>

## Enterprise Risk Management (ERM) Framework

APSEZ has developed an Enterprise Risk Management (ERM) framework, designed to strengthen our capability to identify, measure, monitor, mitigate and report all the risks

in a timely and comprehensive manner. The ERM and risk assurance procedure is integrated with the business planning and compliance functions. This covers both financial and non-financial risks. In recent times, climate-related risks became important to APSEZ’s risk management

process. This included climate-related physical risks such as rising sea levels and extreme weather events (storms, flooding, droughts and severe winds) and transition risks that comprise technological, regulatory and market changes for a lower-carbon economy.



APSEZ has mandated risk-related awareness and training programs for employees to aware them of the ERM framework. Beyond the framework-based training, function specific risk trainings are also conducted. Areas like climate change or sustainability which are multi-functional, also conducted specific training by internal and external resources.

### Emerging risks

Amid changing political, economic, social, environmental,

legal and technological circumstances, APSEZ’s overall business is inevitably facing emerging risks. We identify emerging risks as those strategic risks that may become material in the medium (3-10 years) to long term (> 10 years) if appropriate mitigation measures are not taken now. We see climate change and changing geo-economics leading to shift in cargo demand as the key emerging risks for us. While both these factors are strategic to business, impacting the cost

and profitability in the medium to long term, the magnitude of their impacts do not cross our risk appetite at present. However, mitigation measures need to be implemented now to minimise any residual risks for the business in future. The climate change risk manifests as the risk of natural disaster and extreme weather events and low-carbon transition risks. Appropriate measures have been taken at the highest level to mitigate both the emerging risks.

Name of risk	Category	Description	Impact on business	Mitigation measures
<p><b>a.</b> Risk of as-yet unproven technologies for climate transition</p> <p><b>b.</b> High cost of port automation and risk of productivity loss in near term</p>	Technological	<p><b>a.</b> APSEZ's marine and dredging operations contribute 21% and 25% respectively to the total scope 1 emissions, largely on account of high fuel demand by tugboats and dredgers. We face uncertainty with transition of these assets to low carbon since no proven technology is available yet. Also, since the unit cost of fossil fuel-based tugs (~₹100 crore) and dredgers (~₹100 crore) are high, a significant investment has already locked up high emission. We expect their replacement with viable low-carbon technology in future to be even more capital intensive.</p> <p><b>b.</b> The major ports across the world are moving towards complete automation while the Indian ports have been slow to make the change. In the near future, automation is likely to pick pace, as a result of which APSEZ would require making quite high upfront capital expenditure. Automation reduces human disruptions and delays and makes operations predictable and efficient, which ideally should improve productivity and profit realisation. Hence automation could become essential for viability of any port over time.</p>	<p><b>a.</b> Without any viable low carbon options available for tugs and dredgers, we face uncertainty with our GHG emission reduction plan and risk further locking up high emissions with any incremental investments required in them in near future. Also, even if any viable technology emerges in few years, the capital allocation could be significant to replace all tugs (approximately 50) and dredgers (approximately 25) required in future, which could impact our business profitability.</p> <p><b>b.</b> APSEZ could face a shortage of capabilities and trained manpower to support a large scale integrated &amp; automated port operation and handle exceptions in crisis situations. Due to siloed nature of operations till now, there is also a lack of data which are vital to make integration possible. As a result, we believe the gains in productivity and profit realisations from automation could fall short of our expectation in the near term. Moreover, the advantage of low cost labour, enjoyed by us, could also be lost with automation. A high capital expenditure and a possible decline in productivity could impact growth and profitability in the short to medium term. In the long term, however, the risk is expected to dissipate as we gain more experience in handling such operations and realise the benefit of higher productivity and low running costs.</p>	<p><b>a.</b> We are exploring different pilot projects, with one already started for tugs, to assess viability of various decarbonisation options. To reduce costs, we are evaluating options for retrofitting vs. replacement and further looking to customise solutions according to our requirements.</p> <p><b>b.</b> We are gradually developing systems knowledge and looking to build capabilities to run automated operations with smaller automation projects implemented or are in the pipeline.</p>

Name of risk	Category	Description	Impact on business	Mitigation measures
2. Changing geoeconomics: shift in cargo demand/ customer base	Economic	The shift in cargo demand is an emerging risk which affects our market, especially for the port business. There are several factors like geopolitics and conflicts, trade controls and non-tariff barriers, momentum for near- or on-shoring of manufacturing by the developed economies and shift to low carbon economy that are contributing significantly to it. These measures and protectionist policies have a potential impact on trade volumes and the cargo movement. In FY 2021-22, geopolitical confrontations also disrupted the trade flow and, in future, energy-related commodities, especially crude, POL and thermal coal volume may witness volatility.	Erratic demand patterns can affect port utilisation and revenue predictability. In addition, climate related stances by governments globally, like carbon border tax planned by the European Union, will influence the volume of emission intensive cargos traded from emerging economies like India.	We have focused on diversification of cargo mix with more containerisation and shift away from dependence on bulk cargo. Along with that, we have also targeted for geographical diversification of customer-base to mitigate geopolitical risk. Further, with changing customer preference for sustainable operation, we have committed to reduce emissions in our operation and follow the highest standards on health & safety and corporate governance.



## Major controversies

Case	Actions proposed / taken
<p>Criticism over alleged complicity in Myanmar military's human rights abuses</p>	<p>On 30th May, 2023, APSEZ announced that it received a total sale consideration of US\$ 30 million from the Myanmar Port sale. While the signing of Share Purchase Agreement (SPA) was announced in May 2022, but the delay in meeting certain Condition Precedents (CPs), implied that the deal closure took longer than expectations.</p> <p>The sequence of events in the investment approval process, clearly reflect that APSEZ's deals were with the country's elected government:</p> <ul style="list-style-type: none"> <li>• APSEZ's subsidiary Adani Yangon International Terminal Company Limited (AYITCL) had approached the Myanmar Investment Commission (MIC) in May 2019, for permission to construct a greenfield container terminal at the Myanmar port.</li> <li>• During this period, MIC was led by U Thaung Tun, it's Chairman and Minister of Investment and Foreign Economic Relations under the guidance of Her Excellency State Counsellor Aung San Suu Kyi's National League for Democracy government administered by the civilian government.</li> <li>• The MIC facilitated the land deal, which required APSEZ to pay upfront US\$ 90 million for the land lease premium and US\$ 20,000 as an annual lease charge to the Myanmar Economic Corporation Limited (MEC). As part of its negotiations with the Burmese government at the time it was awarding the port project, the Company required MEC to sign a Deed of Undertaking, according, to which MEC agreed to comply with all laws and regulations relating to economic or financial sanctions or trade embargoes.</li> </ul> <p>After the military coup on 1st February, 2021, APSEZ has condemned the military taking over the country, and focused on following-</p> <ul style="list-style-type: none"> <li>• Given the US sanctions on MEC, APSEZ has made it clear that it will not execute any financial transactions with MEC and/or any other sanctioned entities.</li> <li>• The Company also stated that the safety of its employees is a key focus area, and it is in touch with the Indian embassy in Myanmar for ensuring that all its employees are safe.</li> <li>• Considering the economic benefits of the port for the Burmese people, APSEZ through its US-based counsel, Morrison Forester LLP, has approached the Office of Foreign Assets Control (OFAC) of US Department of Treasury operations, for a specific license to ensure that APSEZ is not in violation of any sanction terms (August 2021).</li> <li>• While the OFAC's decision on APSEZ's application was still awaited, the Risk Committee of APSEZ and the APSEZ board decided to divest the Myanmar Port asset</li> <li>• In May 2022, APSEZ announced the signing of a Share Purchase Agreement (SPA) for the sale of its Myanmar Port</li> </ul>

Case	Actions proposed / taken
<p>Vizhinjam International Multipurpose Deepwater Seaport, India:</p> <p>Alleged shoreline erosions from the project construction</p>	<p>Regarding the project impacts on coastline, there are various studies conducted by reputed institutions that have clearly concluded that the coastline erosion taking place at a location 12 kms from the project site is not related to port construction in any way, and is primarily due to sand mining, groynes construction by the civic authorities and extreme weather events.</p> <ul style="list-style-type: none"> <li>• A study carried by the Central Marine Fisheries Research Institute (CMFRI), a leading tropical marine fisheries research institute from the area, has concluded that the fish catch of the area has increased by 20% during the last decade, contrary to the claims by the fishermen.</li> <li>• A 2007 study by IIT Chennai describes coastline erosion at the same locations currently witnessing erosions, highlighting that the problem existed for long even before the start of port construction in 2015, and it cannot be attributed to construction activities of this port.</li> <li>• The National Institute of Ocean Technology (NIOT) shoreline change study over 2000-2021, carried out using high resolution satellite imagery, noted that the spots of erosion such as Valiyathura, Shangumugham and Poonthura remained unchanged (present erosion spots are the same as before the commencement of construction activity at Vizhinjam) .</li> <li>• L&amp;T Infra Engineering (LnTIEL) over Feb 2015-Feb 2021 has concluded that the port construction has no effect on the erosion and accretion at Valiyathura and Shangumugham (12 Kms from north of port construction).</li> <li>• In 2022, Dr. Clement Lopez (former researcher at the Department of Future Studies, University of Kerala) found no correlation between the port construction and the coastline erosion happening along the coastline lying north of the project. This study analysed various factors including the pattern of shoreline changes along the coastline from 1985 to 2022 and around 15 pre-requisites to dissect the real causative factors of beach erosion in terms of port, groynes, climate/cyclones, harbor, etc.</li> </ul>
<p>Vizhinjam International Multipurpose Deepwater Seaport, India:</p> <p>Alleged livelihood impacts</p>	<p>The Government of Kerala (GoK) is responsible for compensating any Livelihood Affected Persons (LAPs), as per the agreement reached with the stakeholders. As per the last reported numbers, the state government has disbursed over ₹110 crore in compensation to the identified stakeholders versus its initial estimates of ₹8.55 crore support made at the Environmental Impact Assessment (EIA) stage and an estimate of ₹100 crore made after agreeing to the demands made by the stakeholders.</p> <p>Meanwhile, the National Green Tribunal (NGT) appointed independent committee, which conducts a biannual evaluation of the project, has also not found any link between the port construction and shoreline erosion. Below is the list of independent assessments on Vizhinjam Port impacts:</p> <p>While this agreed support is to compensate the Livelihood Affected Persons. However, a study carried out to assess the adverse livelihood impacts of the Port project on the local fishermen has concluded that the project has not resulted in any adverse economic impact on these stakeholders. The Central Marine Fisheries Research Institute (CMFRI), a leading tropical marine fisheries research institute from the area, highlights that the fish catch of the area has increased by 20% during the last decade.</p> <p>The area has got relief camps that are operational since 2012 (many years before the start of Vizhinjam Port construction) to accommodate people who have been turned homeless due to high wave conditions and various cyclones in the region during the last few years, particularly Cyclone Ockhi in 2017. The state government has agreed for providing rent of ₹5,500 per month to 335 families staying in relief camps and also allocate 10 acres of land to develop a housing project to rehabilitate them.</p>



## Corporate social responsibility

# Empowering communities: Driving change for a better future

Our commitment to social responsibility is deeply ingrained in our core values

## Overview

Since 1996, the Adani Foundation, the community engagement arm of the Adani Group, has remained deeply committed to making strategic social investments for sustainable outcomes throughout India. At APSEZ, we firmly believe in the power of service to society and have consistently advocated the empowerment of communities, promoting social inclusion and fostering equitable growth. We are dedicated to making a positive and lasting impact on the lives of people, the environment and the communities in which we operate. Through comprehensive Corporate Social Responsibility (CSR) initiatives, we strive to create meaningful change, address societal challenges and contribute to sustainable development. Our steadfast commitment to CSR is evident in the diverse range

of programs and projects we undertake, in the core areas of Education, Health, Sustainable Livelihoods, Skill Development and Community Infrastructure. By leveraging our resources, expertise and collective efforts, we aim to build a better and more inclusive future for all.

The Foundation is known for its inquisitive and innovative approach to problem-solving. It challenges the status quo and adopts new solutions that lead to sustainable impacts. By building institutions of people and focusing on sustainability, the Foundation contributes to the dignity, well-being and wealth of the communities surrounding Adani businesses and beyond. As it continues to grow and evolve, the Foundation is positioned to address the emerging needs of a new India. It is currently operating in 5,753 villages across 19 States,

positively impacting 7.3 million lives.

Drawing upon the extensive experience of over 25 years in working closely with communities, the Adani Foundation is committed to advancing integrated development. The Foundation firmly believes that every individual, irrespective of their background or location, should have equal access to opportunities and a fair chance to improve their quality of life. By addressing evolving societal needs, the Foundation has consistently contributed to sustainable livelihoods, healthcare, education, nutrition and environmental conservation. With a particular emphasis on empowering women, the Adani Foundation continues to evolve its initiatives to effectively respond to the changing dynamics of society. Through its holistic

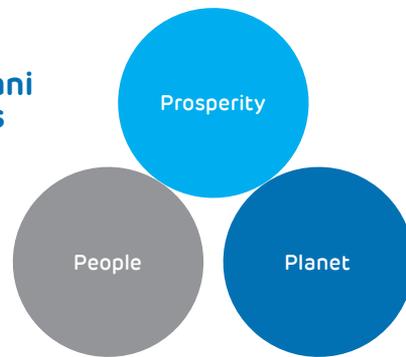
approach, the Foundation strives to create a positive and lasting impact, enabling individuals and communities to thrive and prosper.

By aligning its initiatives with the United Nations' Sustainable

Development Goals (SDGs), the Adani Foundation demonstrates its commitment to addressing pressing global challenges. The Foundation's work directly contributes to the fulfilment of the SDGs, tackling issues

such as poverty alleviation and sustainable livelihoods. Moreover, it recognises the importance of universal values, emphasising human rights and the rights of indigenous peoples in its endeavour.

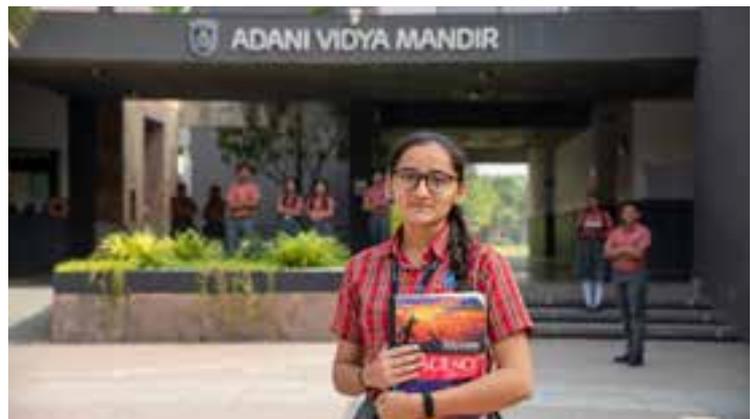
## Embracing the principles of sustainability, the Adani Foundation integrates the three P's



This holistic approach ensures that environmental considerations, social well-being and economic development are all considered. By encompassing these pillars, the Adani Foundation strives to create a positive and inclusive impact that resonates on both local and global scales. APSEZ made ₹31.88 crore of community investments and ₹5.23 crore of charitable donations.

## CSR initiatives

Adani Foundation is seen as a catalyst for change. The Foundation is dedicated to offering quality education through a variety of free and discounted schools throughout India. By implementing innovative 'smart' learning programs and partnering with government schools in remote regions, the Foundation aims to make education accessible to all. These models have proven to be replicable and scalable, allowing for an expansion of their impact.



## Education

The Adani Foundation's resolve to make quality education available and affordable to as many children as possible has taken the form of several cost-free schools (Adani Vidya Mandir schools) as well as subsidised schools across India. Many smart learning programs as well as projects to support government schools are being run in remote areas to ensure the realisation of the true potential of the children.

**Adani Vidya Mandir, Bhadreswar (Gujarat):** This school was established in June 2012 to provide free education to children from socio-economically

marginalised communities, especially the fisherfolk, who are often first-generation learners. The school is equipped with excellent infrastructure and resources required for all-round development of students. It is affiliated to Gujarat State Education Board (GSEB). In 2022, it became the first GSEB-affiliated Gujarati medium school in Gujarat to receive NABET accreditation. In academic year 2022-23, 507 students belonging to the fishing and Maldhari (cattle rearing) communities from 8 villages studied here. Also, during the year, the school's class 10th Gujarat Board result was 100%.

**Adani Public School, Mundra (Gujarat):** The school was established in June 2001 for employees of Adani businesses and locals. Currently, it is catering to more than 2000 students from Nursery to class XII and is affiliated to CBSE. The school is known for its excellent results in Secondary and Senior Secondary CBSE Board Examinations with a focus on academics, sports and value education. Last year, new classrooms were constructed in the school to accommodate more students.

**Adani Vidya Mandir, Krishnapatnam (Andhra Pradesh):** This English medium school

provides free schooling from kindergarten to class 10th and is affiliated to the State Board of Andhra Pradesh. It is in R & R Colony in Muthkur village, and it caters to the underprivileged stratum of the society who mostly belong to the fishermen community settled in the villages around the Krishnapatnam port. The schoolhouses a well-equipped library, science lab, digital Lab, playground and lawn. In academic year 2022-23, the school provided high quality education, midday meals, uniforms, books and stationery to 804 students.

**Adani World School, Krishnapatnam (Andhra Pradesh):**

In Krishnapatnam, the Foundation provides education to the children of families residing near the port businesses through the Adani World School. The school is affiliated to Central Board of Secondary Education (CBSE) for all standards. The nursery and kindergarten (LKG & UKG) are affiliated to the Cambridge institution. Currently, there are 285 students in the school – from nursery to standard 10. The school has state-of-the-art infrastructure including spacious classrooms, a large playground, library, science lab, math lab, computer lab and music and fine arts room. Recently, the school has been granted the Government's Sainik School affiliation, approved by the Sainik Schools Society (SSS). As part of this eco-system, the affiliated schools impart quality education and training to cadets, so that they become good citizens who are ready to excel in all walks of life. For the same, the Adani World School has started with one class of standard 6, comprising 40 students, which will naturally progress till standard 12.

**Adani DAV School, Dhamra, Odisha, affiliated to CBSE, New Delhi, is run by Adani Foundation with DAV College Trust. The school, started in 2012 with 80 students, has 491 students today.**

**Navchetan Vidyalaya** is a Gujarati medium; GSEB affiliated primary school established in the year 2003 by a local trust Navchetan Vikas Mandal, Junagam in 2014. The Adani Foundation is managing (academically & administratively) the students. The strength of the school has gone up from 193 students to 426 (53% are girls). The school promotes activity-based teaching and learning to enhance students' engagement and interest in studies.

**Construction of Girls' Hostel in School Building at Umarda village of Umarpada Block:**

The Adani Foundation is committed towards tribal development. It is implementing various development works in Umarpada Block of Surat District. Recently, the Foundation received a request from Ukai Navnirman Samiti, Songadh, for constructing girls' hostel rooms at Vanraj Uttar Buniyadi Ashram Shala, Umarda, as the existing hostel building was in a deteriorated condition and suffered major leakage during the monsoon season. The building hosts a residential cum co-education school. A total of 150 tribal students are living and studying here, out of which 75 are girls and 75 are boys from 6 to 8 std. All the students studying are from the surrounding tribal villages of Surat, Narmada and Tapi districts. The Foundation constructed 2 halls in the hostel that can accommodate 75 girls.

**Educational initiatives in Dighi (Maharashtra):**

The Adani Foundation implemented various initiatives to promote learning in the villages of Dighi. A special School Praveshotsav program was held in Raigad Zilla Parishad Primary schools in Kudgaon, Dighi, Agardanda and Rajpuri villages for all class 1 students. A total of 250 children from 14 schools, who were stepping foot in the school for the first time, were greeted warmly by the teachers and

provided basic educational kit and a school bag.

**Adani Evening Education Center (AEEC):**

The Adani Foundation launched AEEC as a pilot program in December 2021 with 10 centres, in and around Kattupalli. Each centre has one dedicated tutor and a subject matter expert for every five AEECs who will be focusing on Mathematics, English and Science. The program's aim is to reduce the number of school dropouts and boost the self-confidence of government schools' students (mostly from the fishing and Irular communities) towards helping them perform better academically. In FY 2022-23, to reach more students, the Foundation increased the number of centers from 10 to 20. These centres are helping 596 students. Mentioning the success of the initiative, three class 10 students who attended AEEC stood first, second and three in their board exams.

To focus on the holistic development of child, BaLA Painting work is being implemented as an effective tool for teaching-learning. The major focus is on 'age specific - grade specific' learning material to be developed and painted on the school walls. The Foundation completed BaLA painting work in 11 Zilla Parishad schools (6000+ sq ft) in close coordination with District Education Department, Raigad. Similarly, BaLA painting work was done in 8 anganwadi in Dighi to promote activities-based learning and create an attractive space for children.

The Adani Foundation, in close coordination with Block Education Department (Murud and Shrivardhan), implemented inter-school sports activities in Zilla Parishad Primary schools in Rajpuri and Nanavali. The main objective of this initiative is to keep children engaged in games, nurture their abilities and provide a platform to budding talent.

Further, the Foundation developed reading corners in 14 schools of 10 villages. To cultivate a habit of reading requires more than just an almirah full of books. It requires an environment, which is reading friendly, and which motivates the teachers and children to engage with books. These peaceful spaces have books on display where children can sit and read at ease.

## Utthan

Launched in July 2018, Project Utthan, in collaboration with the district administration, adopts government schools. It strengthens foundational literacy and numeracy among students by tutoring *priya vidyarthi*s (progressive learners), regular mothers' meet, arresting the dropout rate, providing infrastructural support and collaborating for staff capacity building. These students receive personalised tutoring and guidance, enabling them to advance their academic abilities and reach their full potential. By focusing on individual attention and tailored teaching methodologies, Project Utthan aims to create a conducive learning environment that nurtures the unique strengths and talents of each student. With the support from supplementary teachers called Utthan Sahayaks and by creating joyful learning spaces with adequate facilities, the Foundation is committed to all-round child development.

The project was started on a pilot basis in Mundra (Kutch) and now has 21,570 students across 162 schools. The project is functional in Hazira (Surat), Dahej (Bharuch) in Gujarat and Dhamra (Bhadrak) in Odisha.

Utthan in Dhamra is being implemented in collaboration with Think Zone, under the aegis of MO School Abhiyaan. It is a technology-driven programme to enhance the quality of pre-primary and primary education. It entails on-boarding young

educators as Utthan Sahayaks who were trained in activity-based teaching and learning, as well as involving parents in their wards' education. In FY 2022-23, the project's reach covered a total of 3,174 students in 47 schools across three school clusters i.e., Dosinga, Karanjamal and Paiksahi in Bhadrak district of Odisha. The project is directly based upon the suggestions mentioned in the National Education Policy 2020 of focusing on foundational literacy and numeracy and involving community members in teaching the young children. This has created jobs for 47 women who have taken the responsibility of implementing the project activities. Quantitative data evaluated till date reveals:

- 48.7% improvement in language scores in the first year (49.35% average baseline scores to 73.38% average endline scores)
- 39.7% improvement in arithmetic scores in the first year (49.76% average baseline scores to 69.50% average endline scores)
- Nearly 60% parental engagement (71% of parents are receiving calls by Utthan Sahayaks and 82% among them are doing learning activities at home)

### Merit-based scholarships,

**Dhamra:** To ensure that no deserving student in the vicinity of our operations should miss the opportunity to pursue higher education due to lack of financial

means, Adani foundation at Dhamra Port provided merit-cum-means scholarship to 30 students worth ₹3.60 lakh. Started in 2009, this programme has extended scholarship grant to 334 students from the 10 vernacular medium high school under Odisha Board of Secondary Education for pursuing 10+2 worth ₹76.56 lakh.

**Udaan:** This program was inspired by the lifechanging story of Mr. Gautam Adani, Chairman of the Adani Group, who had visited the Kandla port in Gujarat for the first time as a child. Looking at the expanse of the port, he dreamt of having his own port one day. The rest is history. Project Udaan is a learning-based initiative focused on the youth of the nation. Under this project, exposure tours are organised wherein students visit the Adani Port, Adani Power & Adani Wilmar facilities at the Adani Group sites. These trips provide the students working insights into large-scale business operations and serve to inspire them to dream big in life.

During FY 2022-23, 653 institutes visited and gained practical knowledge about various aspects of the port, power and edible oil refinery (Wilmar) business operations. The institutes included students (39,255 including 15,460 female) from 386 schools, 227 colleges and 40 other institutes.



## Community health

The Adani Foundation considers healthcare to be a fundamental human right and is dedicated to enhancing access to high-quality preventive and curative services, particularly for economically disadvantaged communities. The aim is to reach out to the most needy and vulnerable population at the grassroots. To achieve this goal, the Foundation has implemented various initiatives. One of these initiatives involves the operation of Mobile Health Care Units (MHCUs) in partnership with hospitals and rural clinics. These MHCUs are equipped with medical professionals, diagnostic equipment and essential supplies. They serve as a crucial means of delivering healthcare services to remote areas where access to medical facilities is limited. By bringing healthcare directly to the doorstep of communities, the Foundation strives to bridge the gap and ensure that individuals in underserved regions receive the care they need. In addition to the MHCUs, the Adani Foundation organises general and specialised health camps. These camps provide a wide range of medical services, including health check-ups, screenings, vaccinations and awareness campaigns on various health issues. By conducting these camps, the Foundation aims to reach a larger population and raise awareness about preventive healthcare measures.



3.56+  
lakh OPD and  
40,558 IPD  
football



**GAIMS, Bhuj:** Gujarat Adani Institute of Medical Sciences (GAIMS) is the first public-private partnership endeavor between the Government of Gujarat and Adani Education & Research Foundation. GAIMS is the only Medical College and Multi-Specialty Modern Teaching District Hospital (G.K. General Hospital) in Kutch district. G.K. General Hospital became a designated Covid treatment center, procuring essential

equipment like ICUs, ventilators and extra beds. In FY 2022-23, GAIMS registered 3.56+ lakh OPD footfall 40,558 IPD.

**Rural clinics and mobile healthcare units:** Some 11 rural clinics and one wellness center at various port locations provided timely services and recorded 37,355 patient footfalls in FY 2022-23. The Foundation operated Mobile Health Care Units

(MHCUs) that reduced travel time, hardship and expenses, a doorstep boon for women, elderly and children. In FY 2022-23, five MHCUs provided 1,08,709 (61.7% female) treatments in villages around Mundra, Dhamra and Kattupalli locations.

**Adani Hospital, Mundra (Gujarat):** The Adani Hospital in Mundra is a 100-bed secondary care hospital catering to the healthcare

needs of the local population of Mundra and neighboring areas. It is committed to groom medical professionals and provide clinical services at affordable rates. During the last year, 46,135 OPD and 1,821 IPD services were provided by the hospital to the patients of the community in and around villages of Mundra.

**Village Sanitation Programme, Krishnapatnam (Andhra Pradesh):** Lack of proper solid waste management and poor sanitary conditions can cause many health issues. The Adani Foundation is supporting a sanitation programme in 8 villages in Krishnapatnam. It is carrying out sanitation work with 136 community workers, benefitting a total of 18,000 families.

**Anaemia Control Program, Dighi (Maharashtra):** To address the highly prevalent health issues of anemia in Raigad District, particularly in people from the fishing community, a specific program was initiated through a formal agreement with Zilla Parishad, Raigad. Women, especially in rural areas, are the worst affected due to lack of awareness/information about their health issues. This anemia control program addresses the issue with shared resources and convergence of government schemes, etc. This includes nutritional care for children between 0 and 6 years of age, awareness and counselling, capacity building and training of women as well as adolescent girls throughout the year. A total of 848 women and girls from 16 villages participated in this program.

**Rural Clinic, Dighi (Maharashtra):** Dighi is a group gram panchayat with around 1,500 households. There is one Ayushman Bharat sub center where basic health care resources are available at 18 km. To revive this basic but

important healthcare facility, the Adani Foundation renovated the center and initiated advocacy for medical services with the Health Department. With rigorous efforts, the Foundation developed and presented a PPP model to the government through which half day OPD services for six days a week are now being offered to the community members. This includes free consultation, counseling, medicines and awareness for preventive healthcare. Over seven months, the average monthly OPDs were more than 760, of which 47% were female and 18% were children.

**Specialised Health Camp, Dighi (Maharashtra):** The Adani Foundation organised a gynecologist camp in four panchayats namely Dighi, Kudgaon, Rajpuri and Agardanda, wherein 542 women were screened. Further, specialised health camp was organised in the panchayats to address common ailments and seasonal diseases as well as provide referral services to specialist for further treatment, if needed. This included basic check-up like CBC, lipid profile and blood sugar test. A total of 500 persons benefitted.

**Potable water (Mundra, Gujarat):** Adani Foundation provides potable water to fisherfolk across different settlements, helping reduce the incidence of water-related diseases such as ascariasis, diarrhea, schistosomiasis and trachoma. In FY 2022-23, the potable water requirement of 936 families was fulfilled, which helped reduce women's drudgery and not having to venture to far-off areas to fetch water.

**Multispecialty Health Camps (Dahej, Gujarat):** These camps were jointly organised in 11 villages (8 villages of Dahej and 3 villages of tribal area of Netrang, Talukas of Bharuch) with Govt.

Health Departments, Gram Panchayats of respective villages and We CARE Health Center. The objectives of the initiative were to work on prevention and cure of the health issues, providing basic screening facility at doorsteps and cater to the needs of children, elderly and pregnant women. 2438 persons received treatment in these camps. Out of the total, 1095 were female and 572 were children. Pediatrician, Gynecologist and General Physician were part of the camps. Majority of the patients were between the age group of 45 to 65. The Foundation team is continuing the follow-ups and support towards helping them connect with the government hospitals for further treatment, if required.

**Comprehensive Eye Camps (Kattupalli, Tamil Nadu):** The aim of the initiative is to identify preventable eye issues at the early stage and to provide better vision for the community in Katupalli. Under this initiative, five eye screening camps were organised in collaboration with the Sankar Nethralaya. A total of 625 persons were screened, in which 300 were having refractive errors and based on the doctor's recommendation, the patients were supported with spectacles. Few cataract cases were also found and referred to the base hospital for operation under government schemes through District Blindness Control Society.

**Multi-Specialty Medical Health Checkup Camps (Hazira, Gujarat):** These medical camps were organised with the objective of prevention and cure of the health issues, providing basic screening facility at doorsteps and cater to the needs of children, elderly and pregnant women. Eight villages of Choryasi, Olpad and Umarpada taluka in Surat district benefitted from these health camps as General Physicians,

Gynecologists, Orthopedics, Dermatologists, Ophthalmologists and Pediatricians were available for consultation. Patients received free medicines and spectacles (to those who were prescribed after eye screening). In FY 2022-23, 2452 people received treatment at various camps; More than 500 women benefitted from the monthly visits of gynecologists in five densely populated villages. Over 600 adolescent

girls attended the session on menstrual health & hygiene.

**Mega multi-specialised health camps (Dhamra, Odisha):**

Three camps were organised in collaboration with District Health Department where total 3,082 patients from Dhamra Port periphery and railway corridor consulted with doctors, underwent blood test, received treatment and medicines. General physicians and specialist

doctors such as pediatricians, gynecologists, diabetologists, orthopedics and skin specialists provided free service during these camps.

**Eye screening camps organised (Vizhinjam, Kerala):**

Four camps organised in collaboration with Regional Institute of Ophthalmology. Screening was done for 492 persons, 189 were suggested for spectacles and 22 were referred for cataract surgery.

## Sustainable livelihoods

Adani Foundation is committed to enhancing social capital and promoting community empowerment through a diverse range of initiatives. Its primary objective is to establish a self-sustainable ecosystem that harnesses the inherent potential of individuals and community resources to drive socio-economic progress. These initiatives encompass various domains, including on-farm, off-farm and non-farm sectors, with the overarching goal of increasing, diversifying and sustaining incomes.

One of the key initiatives undertaken by the Adani Foundation is the Sustainable Livelihood Development (SLD) program. This program encompasses a comprehensive array of projects aimed at water conservation, organic farming and dairy development through strategic animal husbandry endeavours. By implementing these initiatives, the Foundation seeks to promote sustainable agricultural practices, protect natural resources and enhance productivity within farming communities. Moreover, the Adani Foundation places a significant emphasis on the advancement of women's enterprises. It supports women by equipping them with essential knowledge, skills and

market linkages to augment their entrepreneurial ventures. In doing so, the Foundation empowers women to become active participants in the socio-economic growth of their communities.

**Agriculture**

Adani Foundation works with farmers to upgrade skills that empower them to earn more and sustainably. The Foundation encourages the use of organic farming, natural manure and irrigation facilities. In Dhamra, Paddy Line Transplanting has increased the yield from 45 to 50 %, compared to the traditional practices with an average monetary benefit of ₹22,000 to 24,000 per farmer to 62 farmers. Integrated Crop Management (ICM) paddy demonstration has brought the yield enhancement from 12 to 15 quintal/acre in traditional practice to 31 quintal/ acre to 33 quintal/ acre by adopting SRI technology associating 62 farmers. The adoption of organic practices has led 183 farmers in producing 45 quintal onion from 10 acres land with the monetary benefit of ₹28,000 to 20,000/ farmer. Some 76 farmers supported with 175 quintal of hybrid Elephant Foot Yam seeds implanted in 15 acres of distributed land are expected to generate a yield of 45 to 50

quintals per acre with a monetary benefit of ₹1,60,000 to 1,65,000/ acre. Some 68 farmers who have received 6000 papaya saplings are expected to get a yield of 30 to 35 KG of papaya per plant.

In Mundra, training was arranged by Adani Foundation; more than 1392 farmers participated and 60% reduction in chemical in 500 acres of land. Farmers are using cow-based product for pest control and balanced nutrients like jivamrut, gau krupa amrutam and vermi-compost fertilisers. In Kattupalli, number of model farms increased from 30 to 300 using Integrated Nutrient Management and Integrated Pest and Disease Management technologies. The produced organic rice was sold through women FPO. In Dhamra, a Farmers' Club was set up to train, facilitate and enhance knowledge sharing. In Dahej, Adani Foundation supported Suva Gaushala for institution building, managed by a youth group to integrate agriculture, horticulture and cottage industries.

In Vizhinjam, the farm school activities are progressing commendably. The farm school has the functional specification of a horticultural garden and honey production unit, crop museum (to house possible crop introduction for Vizhinjam), Vegetable and

nutrition garden, vegetable nursery, hi-tech banana farming. Extended vegetable cultivation is producing 150 kg vegetables a month; setup biogas and vermicompost units demonstrate convert food waste (5 kg) and produce cooking gas and organic manure. Community members (296) and students (506) visiting the farm school were oriented to adopt the practice of growing vegetables on their own.

### Animal husbandry

The livestock development project supported by Adani Foundation is implemented in Mundra, Dhamra, Dahej and Hazira. Its objective is to create supplementary incomes through animal livestock development. This is achieved through awareness among farmers about socio-economic benefits by improving local animals, training in best animal husbandry practices, cattle development through breeding, fodder development, promoting vermicomposting and running vaccination camps, veterinary camps and mobile veterinary units.

In Mundra, fodder is being cultivated on 205 acres pastureland of Zarpara and Siracha villages, which will serve 2250 cattle and sustain the supply of improved fodder for 72 days. Some 192 farmers are being supported to cultivate Napier grass; they produced 3800 tonnes fodder, which saved ₹52 lakh. Adani Foundation and Government Animal Hospital are organising cattle awareness camps in 22 villages. Foot-and-mouth disease and deworming was done across 1,883 cattle owners, benefiting 17,299 cattle. Some 40,000+ cattle were vaccinated in collaboration with District Animal Husbandry Department for lumpy disease. Some 14,116 cattle of 24 villages (3008 cattle owners) served quality fodder.

In Dahej, under the Kamdhenu

(Dairy Development) project, 709 artificial inseminations were performed, and 128 calves born to cows and buffaloes during 2022-23. Some 1328 animals treated in 27 infertility & health camps conducted in 27 villages. Some 895 milch animals of 551 farmers benefitted from 1700 kg mineral mixture. In 20 villages, 348 tonnes of green fodder was produced, with a value of ₹7.67 lakh. The Foundation facilitated 23 dairy farmers of 5 villages to leverage the government's Animal Husbandry Schemes – common breed breeder, assistance on purchase of fodder after sterilisation of cattle of common breeders, assistance on purchase of power-driven chaff cutter. Female cattle asset value of ₹47.31 lakh was created in the period whereas the male asset value was ₹1.14 lakh. Some 24 progenies of the project are now in milking stage.

In Hazira, under the Kamdhenu project, 2146 artificial inseminations were performed, 1010 dairy animals conceived, and 1256 calves born to cows and buffaloes during 2022-23. Some

21 animal husbandry training schemes were conducted in Olpad taluka; 450 beneficiaries were present. They were provided technical guidance to adopt and implement best practices for animal husbandry, artificial insemination, sex sorted semen, nutrition and animal health and calf rearing. Some 21 infertility and general health camps were organised in 21 villages of Olpad taluka in which 928 animals were treated of 465 cattle owners. Some 28 farmers of 10 villages were encouraged to cultivate fodder BNH10 in 28 guntha.

In Dhamra, 2262 procedures for artificial insemination were carried out and 639 calves born in villages of core GP and port periphery. The mobile veterinary units treated 58,172 animals and treated 4750 animals in 14 livestock treatment camps. Each cattle owner is contributing ₹10 that compounded as ₹49,160 used for day-to-day expenses. Some 86% households of target villages took the benefit of the Mobile Veterinary Unit; 95% are paying for the services.



## Support to women's Self-Help Groups (SHGs)

Adani Foundation plays a crucial role in facilitating the establishment of women's self-help groups (SHGs) and empowering their members. Through its efforts, the Foundation assists unorganised SHG members in forming women producers' groups, enabling them to enhance their income and economic prospects. By establishing women producers' groups, the Adani Foundation promotes collective action and collaboration among SHG members. These groups serve as platforms for women to pool their resources, skills and knowledge, fostering a supportive and empowering environment. By working together, the women in these groups can leverage their collective strengths to access various opportunities and overcome common challenges.

In Mundra, 15 SHGs benefited 127 women engaged in making tie & dye products, sanitary napkins, moti & dori work, bag/ folder making, mud frames, FSSAI-certified dry snacks, phenyl and washing powder, generating a turnover of ₹87.98 lakh. In Hazira, the Foundation supported SHGs to strengthen through training on bookkeeping. Groups are making cotton batti, rakhi, vegetable and bamboo pickle. In Dahej, 9 SHGs benefited 93 women through training and material support, generating a revenue of ₹59.15 lakh through vermicomposting, AMUL parlours, snacks and cloth masks/bag making. In Dhamra, 12 SHGs and FPCs with 552 members, mostly addressed paddy straw mushroom cultivation and processing and paper plate making. They produced 9200 kg of mushroom valued ₹18.40 lakh.

In Vizhinjam, 109 members of 18 livelihood groups provide various services: Clean-4-you, harbour canteen, poultry units, non-woven bag unit, fresh vegetable unit,

power laundry unit and steam pressing, data entry photo state, steam-based snacks, You Me & Tea Café, stitching and garments unit, Turn to Fresh organic shop, online services like PAN card, notice printing and designing, art works, patient care for the bed ridden etc. A total of revenue ₹609.6 Lakh was generated by these groups.

**Project Swavlamban, Mundra (Gujarat):** Project Swavlamban aims to make marginalised people of Mundra financially independent in coordination with Social Welfare Department, Government of Gujarat. The Foundation provided training, playing a key facilitator role through a tie up with Government Scheme for Widows, Bal Seva Ayog, children schemes and Handicapped people. Some 840 beneficiaries were linked to the pension schemes, which will benefit ₹243.98 lakh. Also, 1487 beneficiaries received benefits of ₹281.50 one-time support – COVID, MNREGA, livestock scheme, fisherfolk labour scheme etc.

### Community infrastructure development

Adani Foundation made efforts to align its activities with the specific needs of the grassroots. The Foundation supported the establishment of small-scale infrastructure, technical resources and community-level systems that were essential for the well-being and livelihoods of the people. Additionally, Adani Foundation worked together with beneficiaries and governmental organisations to introduce methods for the collection and preservation of rainwater. The Foundation promoted the effective utilisation of resources through the implementation of drip irrigation techniques, thereby facilitating the growth

of horticulture and advocating for reduced water usage in agriculture.

### RO Water Plants & Upgradation of Community Health Centre, Krishnapatnam (Andhra Pradesh):

The Adani Foundation recognised the need to setup four new RO plants and pipeline infrastructure to make potable drinking water available to community members. In total, 6,000 families benefitted. Further, Adani Chikitsalayam – the community clinic at R & R Colony – was upgraded and beautified to enhance the quality of free medical care.

### Water conservation, Mundra

**(Gujarat):** Rooftop rainwater harvesting and pond deepening are affordable and replicable for the collection and storage of rainwater at surface or in sub-surface aquifer before it is lost as runoff. This year, 40 Rooftop Rainwater Harvesting Structures (RRWHS) were installed in individual households. Pond deepening was carried out at two locations under Sujalam Sufalam Jal Yojana (SSJY). The water collected through these techniques is immediately used while the excess is stored to artificially recharge the percolation well and increase groundwater level.

### Community Infrastructure Works, Mundra (Gujarat):

Different community infrastructure works were carried out to cater the need of communities in Mundra. This includes construction of house for fisherfolk families, construction of three water tanks at Luni Bandar (fisherfolk settlement), open shed for common gathering space at four locations, renovation of approach road to fisherfolk settlements, upgrading school infrastructure at Rampar village and bund Strengthening at Bhujpur village.

### Community toilets, Kattupalli

**(Tamil Nadu):** Eight community toilets were constructed in Kattur and handed over to the community, which will benefit 756 families. Now, the panchayat has appointed a person to maintain the toilet.

**Drinking water facility through RO plants, Kattupalli (Tamil Nadu):** In Kattupalli, high salinity is a big issue, giving rise to the need of potable water. Each family had to pay ₹30 to purchase 20 liters of water leading to a monthly expense of ₹1000. The Adani Foundation set up an RO plant with a capacity of 1000 liters per hour for the community. This plant will benefit 450 families in the immediate vicinity as well as neighboring villages. The plant has been handed over to the panchayat for maintenance and it charges ₹5 per 20 liters of water. The amount that is collected will be used towards maintenance. This has benefitted community members not only in terms of saving money but also in contributing towards their health.

**Construction of multipurpose hall at Lakhigam, Dahej (Gujarat):** A multipurpose hall construction is in progress at Lakhigam. This hall consists of basic amenities like, changing room, sanitation block, storeroom and open kitchen with shed. This hall will be accessible for around 5000 people and can be utilised for organising social functions, indoor games, training etc.

**Library work at Thava school, Dahej (Gujarat):** The Adani Foundation is supporting Eklavya Sadhana School in Thava (Netrang), Bharuch, since 2019 under its Tribal Development Initiative (TDI). Students of a higher standard have been preparing for the government competitive exams, but they did not have proper space for study. The Foundation built a library with proper sitting arrangements

(with tables and chairs) with a seating capacity of 36 students. It supported books of competitive exams, general knowledge and core curriculum along with storage cupboards. Students from nearby villages come regularly to avail the facility.

**Construction of two classrooms at Jageshwar Primary School, Dahej (Gujarat):** There are 8 classrooms for 175 students (Girls: 98 and boys: 77). Out of these 8 rooms, two rooms are being used as a computer lab and science lab. Students of standard 1 & 2 were sitting in a single classroom with congested space. The Foundation facilitated the construction of two classrooms (G+1) in the primary school. These 2 new classrooms are now providing a comfortable space to study.

**Pond deepening and developing work at Lakhigam, Dahej (Gujarat):** The Adani Foundation supported the Gram Panchayat Lakhigam in construction of a 500-meter long retaining wall for a pond near Ahir Faliya. The Foundation constructed 140-meter-long retention wall and construction of remaining wall is done by the Gram Panchayat. This will help in water conservation / ground water recharge and stop the overflow of water. Villagers from Lakhigam are using the water from this pond for daily routine activities. Restoration is underway and once completed, the scenic view of the pond will be improved.

**Drinking Water (Dhamra, Odisha):** The Adani Foundation provides access to safe and clean sources of drinking water in Dhamra, Odisha. In this saline region, the Foundation took up the responsibility of installation of hand pumps to ensure the availability of potable water. This is important for securing the health and well-being of communities. In FY 2022-23,

17 hand pumps with wastewater recharge pit were installed in the port periphery, benefitting a population of 5,100 directly and 30,600 indirectly.

**Road Infrastructure (Dhamra, Odisha):** During monsoons, mud roads create lots of hindrances for the villagers and hence, the Foundation has been constructing road infrastructure over the years. In this financial year, three rigid pavements were constructed, benefitting a population of 25,000 directly and 1,00,000 indirectly. Jagula Jalipaika Sahi rigid pavement was 240m in length, with 880 m Gourprasad Rigid Pavement Road and 200m of Naikandihi Basudevpur block Rigid Pavement Road.

**High Mast Light (Dhamra, Odisha):** Under the project, 70 integrated solar streetlights were installed at Gobindpur Choudhury Ghat approach road to ensure the safe movement of 10,000 villagers, students and traders, more specifically women and adolescent girls and 8,000 people in its periphery area who commute through this road on a regular basis.

**Playground (Dhamra, Odisha):** The Adani Foundation took the initiative to create a playground and park avenue for the school children of Kanak Prasad Primary School and other people residing near the school in Kanak Prasad village of Kaithkhola GP. A compound wall of 120m length was constructed, one integrated solar streetlight and 4 pre-cast concrete benches were installed. This will benefit a population of 2,000 directly and 6,000 indirectly.

## Environmental sustainability

Environmental sustainability encompasses a comprehensive approach to making informed decisions and taking proactive actions aimed at safeguarding and preserving the delicate balance of the natural world. It goes beyond mere preservation and encompasses practices that promote the responsible use of resources, the reduction of pollution and waste and the long-term conservation of ecosystems.

### Mangrove Biodiversity Park:

Adani Foundation focused on biodiversity conservation around its plant sites. In Mundra, Adani Foundation embarked on programmes for coastal and terrestrial biodiversity. Mangroves cover in Kutch - the second-largest cover in India - increased from 794.77 km<sup>2</sup> to 798.44 km<sup>2</sup>. For two decades, APSEZ has been actively involved in mangrove conservation and management. A total of five mangrove species, such as Ceriops, Aegiceras and Rhizophora, were selected, which, in turn, enhanced the dependent faunal diversity of the area. Some 16 hectares were developed with mangrove multi-species with a good survival rate. Another 4-hectare coastal stretch was planted with select mangrove species.

**Miyawaki forest:** The Miyawaki technique was pioneered by Japanese botanist Akira Miyawaki to build forests 10 times faster and 30 times denser. It involved planting dozens of native species to become maintenance free after three years in and around the Mundra landscape. Some 5,880 saplings of 42 different species were planted, which will result in a dense forest.

**Home biogas:** Adani Foundation provides home biogas to farmers. This transition to renewable energy motivates families to use organic waste and reduce their dependence on chemical fertilisers, a departure from

charcoal and wood. During FY 2022-23 Adani Foundation facilitated 100 farmers to avail biogas systems from DRDA scheme. Till date, 225 farmers are using home biogas with satisfaction, saving an average ₹23,400 for gas and fertiliser as well – with an economic benefit of ₹52.65 lakh.

### Deployment of biomass chulha, Dighi (Maharashtra):

By promoting Biomass chulha in four gram panchayats to reduce the drudgery of women, the Foundation has managed to bring portable and technically sound chulha for 829 households in FY 2022-23. The chulha works with all solid biomass fuel and operates on a patented air induction mechanism that ensures cleaner combustion and reduces emissions drastically. A token amount of ₹500 was taken from the families for the chulha, which requires no gas or electricity but only normal wood and waste. Students from TISS Mumbai were engaged to review the biomass of chulha and its usage.

Their key findings were as follows:

- Average reduction in the quantity of wood used per month by one family (Kg): 34.3
- Average reduction in the quantity of Co<sub>2</sub> emitted annually by one family (Kg): 710.6
- Perceived reduction in cooking time: 94%
- Average reduction in cooking time a day: 70%
- Use of LPG as alternate fuel

### Efficient use of solar powered pumps for irrigation in Bhandut (Hazira, Surat):

Bhandut is a small village in Olpad Block of Surat district, Gujarat. It has become 100% solar pump powered. The village's 700 bigha agriculture land is now totally irrigated, using fifteen 5-HP pumps facilitated by the Adani Foundation. It is benefitting more than 400

farmers. The initiative is perfectly executed to demonstrate a public-private-partnership model. The gram panchayat and the Adani Foundation with the guidance of government's irrigation department came together to successfully execute the transfer from diesel to solar-powered pumps, in two years. The Adani Foundation generously aided the solar-pumps and installations, the state government's irrigation related schemes ensured that irrigation pipelines were installed to take water to farms; and the gram panchayat helped in the implementation.

The solar pump installations have brought about an abundance of benefits in the lives of beneficiary farmers. The beneficiary farmers are not only saving precious wealth by not buying diesel but also saving in the form of labour cost and time. Looking at the average annual savings on diesel, the farmers will collectively save approximately ₹9.13 lakh monthly and ₹1.10 crore annually. Similarly, the farmers will be saving ₹20 lakh in labour and many hours of time. In addition to this, 3000 working hours are saved per month and 36,000 hours annually. One of the major indirect benefits of the initiative has been the utility of those few farmlands as well which were not productive due to lack of access to irrigation. The total emissions avoided in the village by eliminating diesel pump is 2,69,916 kg per year.

A total of 4,176 animal waste treated and produced 9.3 tonnes of biogas saved 325 tonnes of firewood; 3,59,687 hours of clean cooking; 47,375 hours saved in firewood collection/transport/store and reduced 1225 tonnes CO<sub>2</sub> emission

## SAKSHAM (Adani skill development centre)

ASDC, a non-profit organisation, holds the distinction of being India's pioneering skills training center. It offers an array of courses utilising cutting-edge technology such as 3D printing and augmented reality-based simulators. These innovative training programs cover a wide range of areas, including digital literacy, general duty assistant (GDA), self-employed tailor and sewing machine operator, beauty therapist, pedicurist, manicurist and assistant electrician.

ASDC's training initiatives span across various sectors such as IT, healthcare, apparel, beauty and wellness and construction. By providing skill development opportunities in these key sectors, ASDC aims to equip individuals with the necessary expertise and proficiency to thrive in today's dynamic job market.

Adani Skill Development Centres

(ASDC) have successfully trained ASDC trained more than 1,22,510 people in 36 customised and 39+ NSDC approved courses across 10 States. Some 43,500 were trained in port locations with a 65% livelihood ratio. Recognising the importance of accessibility, ASDC also implemented online courses, ensuring that skill

development programs could reach a broader audience. By offering comprehensive training and leveraging both physical and online platforms, ASDC plays a pivotal role in empowering individuals with valuable skills and enhancing their employability prospects.



## Fortune SuPoshan

Fortune SuPoshan project binds Adani Foundation's three core work areas (education, health and sustainable livelihoods development). It addresses malnutrition and anaemia among children, adolescent girls, pregnant women, lactating mothers and women in the reproductive age. This was made possible by training SuPoshan Sanginis to go door-to-door to spread awareness, referrals and behavioral change. During FY 2022-23, 535 SuPoshan Sanginis reached out to more than 3.09 lakh women and adolescent girls, as well as more than 1.30 lakh children.

**Fishermen community:** The Adani Foundation is focused on the holistic development of fishermen communities. They are one of the crucial aspects of the Foundation's overall

development strategies, programs and operations. In Mundra, the organisation is working for the long-term sustainable wellbeing of fishermen and their families. It is providing access to quality education from pre-primary to higher education with an objective to shaping the future career aspects on the next generation/s. More than 500+ fishermen's children are getting education.

- Access of pre-primary education is benefitting 125 students
- Transportation facilities to Govt. & Adani Vidya Mandir, Bhadreshwar (AVMB) is benefitting 33 students.
- Free schooling at AVMB is benefitting 147 students.
- Scholarship support was provided to 43 students of SMJ School, Luni

- Coaching support for 10th examination for 8th & 9th failed students benefited 28 students
- The Foundation is supporting the fishing community through various collaborations for them to get employed.
- 194 fishermen and women were engaged through the contract-based employment at Adani Group Companies. 23 youths have been placed in different companies after completion of their technical training. Total 217 fisherfolks are employed and earning an average monthly income of ₹14500 per person.
- 285 fisherfolk engaged (generated 5200-person day) in mangrove plant, propagation and maintenance work.
- 12 women were trained and engaged in stitching work; received order of ₹80,000 to prepare cotton bags.

## Key KPIs of various activities/initiatives

Business benefit KPIs	Environmental and social KPIs
<ul style="list-style-type: none"> <li>• Building the reputation and brand of an inclusive and caring business</li> <li>• Creation of healthy community and healthy workforce</li> <li>• Achieving human capital development and access to talent pool in the local region</li> <li>• Improved engagement with customers and stakeholders</li> <li>• Strengthening of the supply chain</li> <li>• Managing risks and assuring the license to operate</li> <li>• Creating new market opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Building the resilience of poor and highly vulnerable section of community to reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters</li> <li>• Access to quality healthcare services and access to safe, effective and affordable essential medicines to the communities in our area of operation at a minimal price.</li> <li>• Socio-economic advancement and empowerment</li> <li>• Providing quality education at a subsidised cost</li> <li>• Ensuring higher education opportunities for deserving students and encouraging entrepreneurial spirit among students through learning-based initiatives</li> <li>• Creating supplementary income through animal livestock development</li> <li>• Upgrading skills and practices of farmers so that they can earn more sustainably out of their lands to take up different agribusiness</li> <li>• Afforestation, conservation and enhancement of terrestrial and marine biodiversity</li> <li>• Upholding human rights and dignity across the value chain               <ul style="list-style-type: none"> <li>• Reduce our climate impacts through low carbon pathway commitments and building resilience through enhancing physical and strategic resilience of both our operation and key stakeholders.</li> </ul> </li> <li>• Develop robust system to track and ensure the integration of climate change in relevant business activities.</li> </ul>



## Mapping our activities/initiatives with UN SDGs

	Business activities	CSR and social initiatives
	<p>APSEZ's investments in remote locations create critical mass for economic activities and generate employment opportunities</p> <p>The Company focuses on increasing local sourcing to promote local businesses that help people earn sustainable livelihood</p>	<p>APSEZ-supported Adani Foundation is engaged in:</p> <p>Creation of critical rural infrastructure such as ponds, wells and rainwater harvesting structures that help build resilience and save people from falling into destitution during extreme weather events</p> <p>Training and skilling program for locals to improve their employability</p>
	<p>Storage infrastructure (silos) built for agricultural produce by agri-logistics helps in enhancing food security</p> <p>Company provides meals to 20,000 laborers at the sites each day</p> <p>APSEZ, with its business activities, generates rural income and employment</p>	<p>APSEZ supports Foundation work in fighting hunger that includes distribution of food packets and community kitchens in Mundra (Gujarat), Dhamra (Odisha) and Vizhinjam (Kerala)</p>
	<p>APSEZ provides healthy work environment to workers and employees and assistance for any major or minor medical needs, including insurance cover</p> <p>The employees are provided counselling assistance to deal with any mental health issues</p>	<p>Our initiatives include:</p> <p>Mobile health care service, dispensaries and hospitals for community and workers to take care of their healthcare needs and spread health awareness</p> <p>Community-based interventions to fight malnutrition and anaemia</p>
	<p>Adani Group has invested in providing quality higher education through Adani Institute of Infrastructure Management (AIIM) and Adani Institute of Infrastructure Engineering (AIIE).</p> <p>APSEZ provides training to its employees and supports them financially for pursuing higher education</p>	<p>APSEZ's initiatives on making basic education available to communities:</p> <p>Primary education is cost-free as well as subsidised in schools run across India</p> <p>Training and upskilling programs for the community</p> <p>For example, at Dhamra Port, merit-cum scholarship was provided to 99 students worth ₹3.60 lakh</p>
	<p>APSEZ has set a target of 5% women share in the workforce by 2025</p> <p>It provides equal opportunity to women for employment and growth within the organisation</p>	<p>SuPoshan program run by Adani Foundation targets to alleviate malnutrition and anemia among adolescent girls, pregnant women, lactating mothers and women in their reproductive age</p> <p>Strengthening women's self-help groups engaged in home-based and other entrepreneurial ventures</p>

	<p>APSEZ has a target to reduce its water footprint significantly. It currently uses 56% water from non-competing sources and is targeting to increase to 80% by 2025.</p> <p>The Company treats the entire wastewater before discharging</p>	<p>Community initiatives for water infra development like deepening of ponds, building wells and rainwater harvesting infrastructure to improve water availability</p> <p>It has built around 330 potable water facilities for villagers till now</p> <p>The Adani Foundation received the 3rd National Water Award from the Ministry of Jal Shakti</p>
	<p>APSEZ is targeting 100% renewables in the electricity mix by 2025. It already has 21 MW of captive capacity and 22 MW of PPAs and targeting another 300+ MW of PPAs in 2023. This will help increase the share of renewable energy in the global energy mix</p>	<p>Under Gram Utthan Project, Adani Foundation provides home biogas to farmers of Utthan villages. This transition to renewable energy motivates families to use organic waste and reduce their dependence on chemical fertilisers, a departure from charcoal and wood. During FY 2022-23, Adani Foundation supported 100 home biogas systems.</p>
	<p>APSEZ is helping improve economic productivity by bringing new technology and enhancing efficiency in logistics sector and bringing down cost. By reducing its dependence on fossil fuel use, APSEZ is helping in decoupling economic growth from environmental degradation and promoting sustainable growth</p> <p>APSEZ has put in place strong measures to avoid forced labour, modern slavery, human trafficking and child labor in its operations and supply chain</p>	<p>We support sustainable livelihood generation, build social capital by promoting self-help groups, supporting initiatives towards preservation of traditional art and organising skill development training to promote growth and development of all sections of the society</p> <p>Need assessment of community is conducted to identify and prioritise interventions and impact assessment to measure the positive impacts of implemented projects. This helps us maximise the community benefit through our interventions</p>
	<p>APSEZ is developing sustainable and resilient port and logistics infrastructure that will support economic growth and promote human well-being.</p>	<p>Our community interventions focus on developing sustainable infrastructure to improve the living standard of common people</p>
	<p>APSEZ ensures equal opportunity in employment and growth in the organisation</p> <p>The Company has mechanism in place to identify and eliminate any discrimination based on gender, caste and creed within the organisation and in the supply chain</p>	<p>We helped more than 119 self-help groups (SHGs) in earning their livelihood through various entrepreneurial ventures</p>
	<p>APSEZ supports sustainable and positive economic links between various urban centres by providing efficient and resilient port and logistics infrastructure, given that many large cities across the world are major ports and trade centres</p>	<p>APSEZ supports sustainable community living by building social capital, promoting self-help groups, supporting initiatives towards preservation of traditional art and organising skill development training to promote growth and development of all sections of the society</p>

	<p>APSEZ is moving towards sustainable consumption with a target to reduce dependence on fossil fuel and shift to renewable energy.</p> <p>It ensures environmentally sound management of all wastes and strives to reduce waste generation through prevention, reduction, recycling and reuse</p> <p>The Company has set a target to reduce its water footprint to source 80% of its water demand from non-competing sources by 2025</p> <p>APSEZ has a Sustainable Procurement Policy</p> <p>It integrates sustainability information into its reporting cycle</p> <p>The Company utilises the wastewater of other industries to minimise freshwater dependency and conserve natural resource</p>	<p>Fortune SuPoshan initiative by the Foundation promotes the use of local, seasonal foods to combat malnutrition and anaemia in the underprivileged sections of the society based on 3A's – availability, accessibility and affordability. This includes bringing a sustainable change in cooking and food consumption habits through community health initiatives.</p>
	<p>APSEZ has a target to achieve Carbon Neutrality by 2025 by investing in renewable capacity, electrification of equipment and energy efficiency measures.</p> <p>Further, based on climate impact assessment it undertakes various adaptive measures for the ports</p>	<p>We have supported the development of three-acre land near Bhuj in which 90+ species of trees have been planted. The scope of work includes development of the nursery, soil enrichment, plantation of saplings, mulching, biomass application, water supply and maintenance to restore biodiversity</p> <p>We carried out large-scale mangrove plantation and development project at Mundra in the Kutch region of Gujarat, a natural protection against storm surge and a large carbon sink</p>
	<p>APSEZ adheres to 'zero untreated waste' discharge in the sea. It also provides waste collection facilities for the ships calling the ports.</p> <p>APSEZ's conservation efforts have resulted in the doubling of average turtle nesting near Dhamra. The reported Dolphin count around Dhamra port has seen a significant jump.</p>	<p>We have supported in:</p> <ul style="list-style-type: none"> <li>Cleaning of beaches, development of sanitation facilities,</li> <li>Preventing discharge of untreated sewage</li> <li>Conducting awareness campaigns among communities</li> </ul>
	<p>Our afforestation and ecosystem conservation efforts to support flora and fauna includes;</p> <ul style="list-style-type: none"> <li>Terrestrial plantation of 1000 Ha and a target of 1200 Ha by 2025</li> <li>Mangrove afforestation of 5000 Ha by 2025</li> <li>Mangrove conservation of 2850 Ha</li> <li>Development of butterfly park in Dahej</li> </ul>	<p>APSEZ supports:</p> <ul style="list-style-type: none"> <li>Plantation/afforestation activities in community land</li> <li>Cleaning, deepening of ponds, lakes, canals to support biodiversity</li> </ul>

## APPENDIX

Source of the emission factors and the global warming potential (GWP)

<b>Grid power</b>	Emission factor (tCO <sub>2</sub> /MWh)	0.79	1
	Conversion factor (kWh to GJ)	0.0036	2
<b>Diesel</b>	Net calorific value (TJ/Gg)	43	3
	Density (Kg/L)	0.8325	4
	Conversion factor (L to GJ)	0.03579	6
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	74100	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	3.9	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	3.9	7
<b>Petrol</b>	Net calorific value (TJ/Gg)	44.3	3
	Density (Kg/L)	0.7475	5
	Conversion factor (L to GJ)	0.03311	6
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	69300	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	33	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	3.2	7
<b>Furnace oil</b>	Net calorific value (TJ/Gg)	40.4	3
	Density (Kg/L)	0.95	8
	Conversion factor (L to GJ)	0.03838	6
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	77400	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	7	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	2	7
<b>Heavy fuel oil</b>	Net calorific value (TJ/Gg)	40.4	3
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	77400	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	7	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	2	7
<b>Jet kerosene</b>	Net calorific value (TJ/Gg)	44.1	3
	Density (Kg/L)	0.789	9
	Conversion factor (L to GJ)	0.03479	6
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	71500	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	0.5	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	2	7
<b>Acetylene</b>	Conversion factor (m <sup>3</sup> to Kg)	1.1	10
	Net calorific value (GJ/Kg)	0.0499	10
	Emission factor (Kg CO <sub>2</sub> e/Kg)	3.39	10
<b>PNG</b>	Emission factor (Kg CO <sub>2</sub> e/MMBTU)	53.06	11
<b>LPG</b>	Net calorific value (TJ/Gg)	47.3	3
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	63100	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	1	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	0.1	7
<b>R22</b>	Global warming potential	1760	12
<b>R134a</b>	Global warming potential	1300	12
<b>R407c</b>	Global warming potential	1561	11
<b>R410</b>	Global warming potential	1923	11
<b>Air travel</b>	tCO <sub>2</sub> e./Pax-Km	0.000121	13
<b>Rail travel</b>	tCO <sub>2</sub> e./Pax-Km	0.00000795	14
<b>Rail transport</b>	tCO <sub>2</sub> e./Ton-Km	0.000009504	14
<b>T &amp; D losses</b>	T & D Losses percentage (%)	State-wise	15
<b>Methane</b>	Global warming potential	28	12
<b>N2O</b>	Global warming potential	265	12

## References:

1	<a href="https://cea.nic.in/wp-content/uploads/baseline/2021/06/User_Guide_ver_16_2021-1.pdf">https://cea.nic.in/wp-content/uploads/baseline/2021/06/User_Guide_ver_16_2021-1.pdf</a>
2	<a href="https://www.aqua-calc.com/convert/power/kilowatt-to-gigajoule-per-hour">https://www.aqua-calc.com/convert/power/kilowatt-to-gigajoule-per-hour</a>
3	<a href="https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/2_Volume2/V2_1_Ch1_Introduction.pdf">https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/2_Volume2/V2_1_Ch1_Introduction.pdf</a>
4	<a href="https://www.bharatpetroleum.in/our-businesses/industrial-and-commercial/industrial-fuel-products/fuels.aspx">https://www.bharatpetroleum.in/our-businesses/industrial-and-commercial/industrial-fuel-products/fuels.aspx</a>
5	<a href="https://www.bharatpetroleum.in/our-businesses/industrial-and-commercial/conversion-table.aspx">https://www.bharatpetroleum.in/our-businesses/industrial-and-commercial/conversion-table.aspx</a>
6	Calculated - $(NCV * Density / 1000)$
7	<a href="https://www.ipcc-nggip.iges.or.jp/public/2006gl/">https://www.ipcc-nggip.iges.or.jp/public/2006gl/</a>
8	<a href="https://beeindia.gov.in/sites/default/files/2Ch1.pdf">https://beeindia.gov.in/sites/default/files/2Ch1.pdf</a>
9	Taken from Fuel Provider
10	<a href="https://b8f65cb373b1b7b15feb-c70d8ead6ced550b4d987d7c03fcd1d.ssl.cf3.rackcdn.com/cms/guidance_docs/pdfs/000/000/469/original/CDP-Scope-3-Category11-Guidance-Oil-Gas.pdf?1479754082">https://b8f65cb373b1b7b15feb-c70d8ead6ced550b4d987d7c03fcd1d.ssl.cf3.rackcdn.com/cms/guidance_docs/pdfs/000/000/469/original/CDP-Scope-3-Category11-Guidance-Oil-Gas.pdf?1479754082</a>
11	<a href="https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf">https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf</a>
12	<a href="https://www.ipcc.ch/site/assets/uploads/2018/02/SYR_AR5_FINAL_full.pdf">https://www.ipcc.ch/site/assets/uploads/2018/02/SYR_AR5_FINAL_full.pdf</a>
13	<a href="https://indiaghgp.org/sites/default/files/AIR%20Transport%20Emission.pdf">https://indiaghgp.org/sites/default/files/AIR%20Transport%20Emission.pdf</a>
14	<a href="https://indiaghgp.org/sites/default/files/Rail%20Transport%20Emission.pdf">https://indiaghgp.org/sites/default/files/Rail%20Transport%20Emission.pdf</a>
15	<a href="https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=21531">https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=21531</a>



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	2-6 Activities, value chain and other business relationships	Adani: A world-class infrastructure & utility portfolio	26
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<b>GRI 202: Market Presence 2016</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Business Responsibility & Sustainability Report	367
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<b>GRI 206: Anticompetitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance: Code of conduct and ethics benchmark	94
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	303-2 Management of water discharge-related impacts	Water Stewardship	150
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	403-2 Hazard identification, risk assessment, and incident investigation	Process safety	215
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		Growth with goodness - Steering human capital from business lens	184
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<b>GRI 408: Child Labour 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	Human rights due diligence	204
		Supplier engagement and compliance	182
<b>GRI 409: Forced or Compulsory Labour 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human rights due diligence	204
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<b>Labour</b>			
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Principle 4	the elimination of all forms of forced and compulsory labour;	Human rights	204
Principle 5	the effective abolition of child labour; and	Human rights	204
Principle 6	the elimination of discrimination in respect of employment and occupation.	Discrimination and harassment	209
<b>Environment</b>			
Principle 7	Businesses should support a precautionary approach to environmental challenges;	ESG Governance	125
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Principle 8	undertake initiatives to promote greater environmental responsibility; and	Climate Change	135
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Principle 9	encourage the development and diffusion of environmentally friendly technologies.	Climate Change	135
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<b>Anti-Corruption</b>			
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Governance framework	93

## 1.2. UNGC Principles

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<b>Human rights</b>			
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	Human rights	204
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Principle 9	encourage the development and diffusion of environmentally friendly technologies.	Climate Change	135
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		Enhancing Biodiversity	160
<b>Anti-Corruption</b>			
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Governance framework	93

## 1.3. CEO Water Mandate

Mandate and its pledges	Chapter Name	Page No.
<b>Direct operations</b>		
Company pledges to conduct a comprehensive water-use assessment to understand the extent to which the Company uses water in the direct production of goods and services.	Water Stewardship	150
Company pledges to set targets for their operations related to water conservation and waste-water treatment, framed in a corporate cleaner production and consumption strategy.	ESG Targets and performance Water Stewardship	133
Company pledges to invest in and use new technologies to achieve these goals.	Water Stewardship	150
Company pledges to raise awareness of water sustainability within corporate culture.	Water Stewardship- Water Strategy	151

Mandate and its pledges	Chapter Name	Page No.
Company pledges to include water sustainability considerations in business decision making – e.g., facility-siting, due diligence and production processes.	Water Stewardship and Water Stewardship Policy	151
<b>Supply chain and watershed management</b>		
Company pledges to encourage suppliers to improve their water conservation, quality monitoring, waste-water treatment and recycling practices	Supply Chain Management Stakeholder Engagement	175, 106
Company pledges to build capacities to analyse and respond to watershed risk	Water Stewardship	150
Company pledges to encourage and facilitate suppliers in conducting assessments of water usage and impacts.	Supply Chain Management	175
Company pledges to share water sustainability practices – established and emerging – with suppliers.	Water Stewardship Sustainable Procurement Policy & Supplier Code of Conduct	150, 176
Company pledges to encourage major suppliers to report regularly on progress achieved related to goals.	Water Stewardship Sustainable Procurement Policy & Supplier Code of Conduct	150, 176
<b>Collective action</b>		
Company pledges to build closer ties with civil society organisations, especially at the regional and local levels.	Corporate Social Responsibility	244
Company pledges to work with national, regional and local governments and public authorities to address water sustainability issues and policies, as well as with relevant international institutions – e.g., the UNEP Global Programme of Action	Water Stewardship	150
Company pledges to encourage development and use of new technologies, including efficient irrigation methods, new plant varieties, drought resistance, water efficiency and salt tolerance.	Water Stewardship	150
Company pledges to be actively involved in the UN Global Compact's Country Networks.	Water Stewardship	150
Company pledges to support the work of existing water initiatives involving the private sector – e.g., the Global Water Challenge; UNICEF's Water, Environment and Sanitation Program; IFRC Water and Sanitation Program; the World Economic Forum Water Initiative – and collaborate with other relevant UN bodies and inter-governmental organisations – e.g. the World Health Organisation, the Organisation for Economic Co-operation and Development and the World Bank Group.	Water Stewardship	150
<b>Public policy</b>		
Company pledges to contribute inputs and recommendations in the formulation of government regulation and in the creation of market mechanisms in ways that drive the water sustainability agenda.	Advocacy and leadership	105
Company pledges to exercise 'business statesmanship' by being advocates for water sustainability in global and local policy discussions, clearly presenting the role and responsibility of the private sector in supporting integrated water resource management.	Advocacy and leadership Water Stewardship	105

Mandate and its pledges	Chapter Name	Page No.
Company pledges to partner with governments, businesses, civil society and other stakeholders – for example specialised institutes such as the Stockholm International Water Institute, UNEP Collaborating Centre on Water and Environment and UNESCO's Institute for Water Education – to advance the body of knowledge, intelligence and tools.	Advocacy and leadership Water Stewardship	105, 150
Company pledges to join and/or support special policy-oriented bodies and associated frameworks – e.g., UNEP's Water Policy and Strategy; UNDP's Water Governance Programme.	Advocacy and leadership Water Stewardship	105, 150
<b>Community engagement</b>		
Company pledges to endeavour to understand the water and sanitation challenges in the communities where we operate and how our businesses impact those challenges.	Corporate Social Responsibility	244
Company pledges to be active members of the local community and encourage or provide support to local government, groups and initiatives seeking to advance the water and sanitation agendas.	Corporate Social Responsibility	244
Company pledges to undertake water-resource education and awareness campaigns in partnership with local stakeholders.	Corporate Social Responsibility	244
Company pledges to work with public authorities and their agents to support – when appropriate – the development of adequate water infrastructure, including water and sanitation delivery systems.	Corporate Social Responsibility	244
<b>Transparency</b>		
Company pledges to include a description of actions and investments undertaken in relation to The CEO Water Mandate in our annual communications on progress for the UN Global Compact, making reference to relevant performance indicators such as the water indicators found in the Global Reporting Initiative (GRI) Guidelines.	Water Stewardship	150
Company pledges to publish and share our water strategies (including targets and results as well as areas for improvement) in relevant corporate reports, using – where appropriate – the water indicators found in the GRI Guidelines.	Water Stewardship ESG Targets and performance	150, 133
Company pledges to be transparent in dealings and conversations with governments and other public authorities on water issues	Water Stewardship	150

**1.4. Indian Business Biodiversity Initiative (IBBI)**

	Indicator	Chapter Name	Page No.
<b>1</b>	<b>Mapping biodiversity interfaces with business operations</b>		
1.1	Number of production sites that have been screened with regard to relevance of potential impacts and dependencies on biodiversity and ecosystem services	Enhancing Biodiversity (Assessment Done for the operational sites): 13 operational sites have been assessed which include 12 ports location and one logistics site.	163
1.2	Relevance of biodiversity and ecosystem services for each step in the value chain (own operations, suppliers, use phase, end-of-life, transport)	Enhancing Biodiversity	160
<b>2</b>	<b>Enhancing awareness on biodiversity within the organisation</b>		
2.1	Number of trained employees on biodiversity and ecosystem services	Enhancing Biodiversity - Training and Awareness  Environment & Sustainability team members at both the Head Office and various sites undergo comprehensive training on biodiversity and ecosystem services. This training covers various aspects, including Indian and Global Biodiversity Standards, legal requirements, biodiversity impact assessment, and management plans. Reputed institutes such as IUCN India, Environment Management Centre, EY, NEERI, and ERM India are engaged to provide this specialised training  APSEZ has conducted Capacity Building Session on ESG  No. of Employees trained in FY 2022-23 were 1137.  Training and awareness on Biodiversity & Ecosystem Services is also covered as part of Company's biannual "Environment Shikhar" program for all the Environment and Sustainability professional of the Company.	168
2.2	Percentage of employees within organisation who have been sensitised on biodiversity	37%	168
2.3	Activities undertaken to create greater awareness on biodiversity among employees	Enhancing Biodiversity - Training and Awareness: We have completed the training for 4 sites i.e. Mundra, Hazira, Dhamra and Vizhinjam in FY 2022-23. The training are based on IFC Standard 6. Biodiversity Conservation and Sustainable Natural Resource Management. Other activities include. • Training and capacity Building Session (Classroom, virtual.) • Celebration of important days such as World Environment Day, Wildlife Week, World Ocean Day, Biodiversity Day, World Wetland Day etc • Plantation drives • Seminars, lectures, webinars, workshops awareness sessions • Video screening	168
<b>3</b>	<b>Assessing biodiversity risks and opportunities</b>		

	Indicator	Chapter Name	Page No.
3.1	Assessment of impacts and dependencies with regard to biodiversity and ecosystem services	Enhancing Biodiversity (Biodiversity Risk Screening)	162
3.2	Assessment of risks and opportunities with regard to biodiversity and ecosystem services	Enhancing Biodiversity (Biodiversity Impact Assessment) BRSR (24. Overview of the entity's material responsible business conduct issues)	162, 375
<b>4</b>	<b>Considering the impacts of business decisions on biodiversity</b>		
4.1	Organisation-wide policy that addresses biodiversity and ecosystem services	1. Biodiversity Policy 2. Environment Policy 3. Company has developed Corporate level guidelines for Biodiversity Management and has also developed framework for Biodiversity & Land use aligned with IFC PS6	126
<b>5</b>	<b>Setting objectives and targets for biodiversity management</b>		
5.1	Strategy for biodiversity and ecosystem management	Enhancing Biodiversity - Biodiversity Strategy, Biodiversity Commitments	166, 167
5.2	Action Plan to avoid, minimise, rehabilitate and offset biodiversity impacts	Enhancing Biodiversity - Mitigation Hierarchy, Biodiversity Strategy, Biodiversity Commitments	166, 167
<b>6</b>	<b>Designating an individual within the organisation as biodiversity champion</b>		
6.1	Name, title, and contact details of designated biodiversity champion	Mr. Charanjit Singh, Head – ESG & IR – APSEZ has been entrusted as Biodiversity Champion at Corporate level	-
<b>7</b>	<b>Including the applicable biodiversity aspects in the environmental management systems</b>		
7.1	Inclusion of biodiversity aspects in environmental management system	Inclusion of biodiversity aspects in environmental management system	164
<b>8</b>	<b>Encouraging relevant stakeholders to support better biodiversity management</b>		
8.1	Activities undertaken for/with suppliers	Supply chain management (Supplier ESG Program) Supplier are assessed on biodiversity aspects and aware its suppliers about their policy and commitments. In future we aim to align our suppliers with Biodiversity Policy.	177
8.2	Activities undertaken for/with customers and consumers	Value offered to Customers- safety, speed, and delight APSEZ engage with customers to know their biodiversity aspects and aware its stakeholders about their policy and commitments	225
8.3	Activities for/with other internal and external stakeholders, if any	Enhancing Biodiversity (Biodiversity enhancement and restoration)	169
<b>9</b>	<b>Engaging in policy advocacy and dialogue with Government, NGOs and academia on biodiversity concerns</b>		
9.1	Engagement through various platforms (e.g., sharing of best practice, research partner, sponsor)	Nurturing stakeholder relationship	106

	Indicator	Chapter Name	Page No.
9.2	Participation in policy advocacy at International, national, or local level	Section: Advocacy and Leadership APSEZ regularly engages with regulatory authorities on matters related to Biodiversity directly and through Industrial Associations/ bodies. APSEZ also does policy advocacy through IUCN Leaders for Nature (India), CII, FICCI etc. Head -ESG and team member also engages in policy dialogue as part of various Industrial, academic and NGO/CSO dialogues on Biodiversity matters.at International, national or local level.	105
<b>10</b>	<b>Initiating the valuation of relevant biodiversity and ecosystem services</b>		
10.1	Valuation of impacts (positive and negative) and dependencies (direct and indirect)	Enhancing Biodiversity (Biodiversity Risk Screening): The ESM (Ecosystem Service Matrix) analysis have been used to identify and evaluate the ecosystem services provided by the various ecosystems within the project boundary and surrounding areas. The APSEZ project, Mundra was analysed based on the ESM methodology to identify the level of impacts, dependencies and management measures implemented to mitigate the risks related to biodiversity.	161





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## Independent Assurance Statement

### The Management and Board of Directors

Adani Ports and Special Economic Zone Limited,  
Ahmedabad, India

### Scope

We have been engaged by Adani Ports and Special Economic Zone Limited to perform a 'Type 2 Moderate' level of assurance, as defined by AccountAbility Assurance Standard (AA1000 AS v3) and Reasonable Assurance, as defined by International Standards on Assurance Engagements (ISAE 3000), hereafter referred to as the engagement, for Adani Ports and Special Economic Zone Limited's Integrated Annual Report FY 23, prepared as per The International Integrated Reporting Council (IIRC framework) (the "Subject Matter") for the period from 1st April 2022 to 31st March 2023.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

### Criteria applied by Adani Ports and Special Economic Zone Limited

In preparing the integrated report, Adani Ports and Special Economic Zone Limited applied, The International Integrated Reporting Council (IIRC framework), and Global Reporting Initiative (GRI) Standards.

### Adani Ports and Special Economic Zone Limited's Responsibilities

Adani Ports and Special Economic Zone Limited management is responsible for selecting the Criteria, and for presenting the Integrated Report FY 23 in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### EY's Responsibilities

Our responsibility is to express an opinion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the third edition of AccountAbility's AA1000 Assurance Standard (AA1000 AS v3). The terms of reference for this engagement as agreed with Adani Ports and Special Economic Zone Limited on 30th December 2020. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.



We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

### **Our Independence and Quality Control**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### **Description of procedures performed.**

Our procedures included:

- Conducted interviews with select personnel at manufacturing units and corporate teams to understand the process for collecting, collating, and reporting the subject matter as per Global Reporting Initiative (GRI) Standards;
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria.
- Undertook analytical review procedures to support the reasonableness of the data, Verification of data, on a selective test basis, for the following sites and indicators, through consultations with the site team and sustainability team.
  - The Adani Harbour Services Ltd. (“TAHSL”)
  - Adani Hazira Port Ltd. (“AHPL”)
  - Adani Logistics Ltd. (“ALL”)
  - Adani Ennore Container Terminal Pvt. Ltd.
  - Shanti Sagar International Dredging Ltd.
  - The Dhamra Port Company Ltd. (“DPCL”)
  - Karnavati Aviation Pvt. Ltd.
  - Marine Infrastructure Developer Pvt Ltd. (“MIDPL”)
  - Adani Kattupalli Port Ltd.
  - Mundra SEZ Textile and Apparel Park Pvt. Ltd.
  - Mundra International Airport Pvt. Ltd.
  - Adani Hospitals Mundra Pvt. Ltd.
  - Adani Gangavaram Port Ltd.
  - Ocean Sparkle Ltd. (“OSL”)
  - Dighi Port Ltd. (“DPL”)
  - Gangavaram Port Services (India) Private Limited
  - Adani Krishnapatnam Port Ltd. (“AKPL”)
  - Adani Agri Logistics Ltd. (“AALL”)
  - Adani Agri Logistics (Samastipur) Ltd.
  - Adani Agri Logistics (MP) Ltd.
  - Adani Agri Logistics (Harda) Ltd.
  - Adani Agri Logistics (Hoshangabad) Ltd.
  - Adani Agri Logistics (Satna) Ltd.
  - Adani Agri Logistics (Ujjain) Ltd.
  - Adani Agri Logistics (Dewas) Ltd.
  - Adani Agri Logistics (Kotkapura) Ltd.
  - Adani Agri Logistics (Moga) Ltd.



- Review of data on a sample basis, at the above-mentioned locations, pertaining to the following disclosures of the GRI Standards:

S. No.	Indicators	GRI Ref
1.	Activities, value chain and other business relationship	2-6
2.	Mechanisms for seeking advice and raising concerns	2-26
3.	Energy consumption	302-1
4.	Energy consumption outside of the organization	302-2
5.	Energy intensity	302-3
6.	Reduction of energy consumption	302-4
7.	Reductions in energy requirements of products and services	302-5
8.	Water Withdrawal	303-3
9.	Water Discharge	303-4
10.	Water Consumption	303-5
11.	Direct (Scope 1) GHG emissions	305-1
12.	Energy indirect (Scope 2) GHG emissions	305-2
13.	Other indirect (Scope 3) GHG emissions	305-3
14.	GHG emissions intensity	305-4
15.	Reduction of GHG emissions	305-5
16.	Emissions of ozone-depleting substances (ODS)	305-6
17.	Waste diverted from disposal	306-4
18.	Waste directed to disposal	306-5
19.	New suppliers that were screened using environmental criteria	308-1
20.	Negative environmental impacts in the supply chain and actions taken	308-2
21.	New employee hires and employee turnover	401-1
22.	Worker training on occupational health and safety	403-5
23.	Work-related injuries	403-9
24.	Training and Education	404-1
25.	Diversity of governance bodies and employees	405-1
26.	Operations with local community engagement, impact assessments, & development programs	413-1
27.	New suppliers that were screened using social criteria	414-1
28.	Negative social impacts in the supply chain and actions taken	414-2

- Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Review of the Company's plans, policies, and practices, pertaining to their social, environment and sustainable development, so as to be able to make comments on the fairness of sustainability reporting.
- Review of the Company's approach towards materiality assessment disclosed in the Report to identify relevant issues
- Review of select qualitative statements in various sections of the Integrated Report FY 23

We also performed such other procedures as we considered necessary in the circumstances The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2022 to 31st March 2023)
- Data and information on economic and financial performance of the Company
- Data, statements and claims already available in the public domain through Annual Report, Integrated Report, or other sources available in the public domain
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim, or future intention provided by the Company



- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters

#### Opinion

In our opinion, the indicators reported in the Integrated Annual Report of FY 23 for the period from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 is presented, in all material respects, in accordance with GRI Standards and The International Integrated Council (IIRC) Criteria.

#### Our Conclusion

On the basis of our review scope and methodology to obtain 'Type 2, Moderate' level of assurance (as per AA1000 AS) our conclusions are as follows:

- **Inclusivity:** The company has described its stakeholder engagement approach and activities in the report. We are not aware of any matter that would lead us to conclude that the company has not applied the principle of inclusivity in engaging with the key stakeholder groups identified in the report.
- **Materiality:** The company has identified key issues material to its ability to create value and has described the process for materiality analysis in the Report. Nothing has come to our attention that causes us to believe that material issues so identified have been excluded from the Report by the Company.
- **Responsiveness:** We are not aware of any matter that would lead us to believe that the Company has not applied the responsiveness principle in its engagement with stakeholders identified in the Report on material aspects covering its sustainability performance.
- **Impact:** as per the information provided to us, we are not aware of any matter that would lead us to conclude that the criteria related to the impact principle has not been applied for the key stakeholders.

#### Restricted use

This report is intended solely for the information and use of Adani Ports and Special Economic Zone Limited and is not intended to be and should not be used by anyone other than Adani Ports and Special Economic Zone Limited.

For and on behalf of Ernst & Young Associates LLP

Chaitanya Kalia  
June 20, 2023  
Mumbai, India



# Corporate Information

## Board of Directors

**Mr. Gautam S. Adani,**  
Chairman & Managing Director

**Mr. Rajesh S. Adani,**  
Non-Executive and Non-Independent Director

**Dr. Malay Mahadevia,**  
Non-Executive and Non-Independent Director

**Mr. Karan Adani,**  
Whole-Time Director & CEO

**Prof. G. Raghuram,**  
Independent Director

**Mr. G. K. Pillai,**  
Independent Director

**Mr. Bharat Sheth,**  
Independent Director

**Mrs. Nirupama Rao,**  
Independent Director

**Mr. P. S. Jayakumar,**  
Independent Director

## Company Secretary

Mr. Kamlesh Bhagia

## Chief Financial Officer

Mr. D. Muthukumaran

## Statutory Auditors

M/s. Deloitte Haskins & Sells LLP

## Registered Office

Adani Corporate House,  
Shantigram, Near Vaishno Devi  
Circle, S. G. Highway, Khodiyar,  
Ahmedabad-382421 Gujarat  
Website: [www.adaniports.com](http://www.adaniports.com)

## Committees

### Audit Committee

Mr. G. K. Pillai, Chairman  
Prof. G. Raghuram, Member  
Mr. P. S. Jayakumar, Member  
Mrs. Nirupama Rao, Member

### Nomination and Remuneration Committee

Mr. P. S. Jayakumar, Chairman  
Mr. G. K. Pillai, Member  
Mrs. Nirupama Rao, Member

### Stakeholders Relationship Committee

Prof. G. Raghuram, Chairman  
Mr. G. K. Pillai, Member  
Mr. Karan Adani, Member

### Corporate Social Responsibility Committee

Mrs. Nirupama Rao, Chairperson  
Mr. G. K. Pillai, Member  
Prof. G. Raghuram, Member  
Dr. Malay Mahadevia, Member

### Risk Management Committee

Mr. G. K. Pillai, Chairman  
Mr. Bharat Sheth, Member  
Dr. Malay Mahadevia, Member

### Corporate Responsibility Committee

Prof. G. Raghuram, Chairman  
Mr. G. K. Pillai, Member  
Mr. P. S. Jayakumar, Member

### Information Technology & Data Security Committee

Mrs. Nirupama Rao, Chairperson  
Prof. G. Raghuram, Member  
Mr. G. K. Pillai, Member

### Mergers & Acquisitions Committee

Mr. P. S. Jayakumar, Chairman  
Mr. G. K. Pillai, Member  
Mr. Karan Adani, Member

### Legal, Regulatory & Tax Committee

Prof. G. Raghuram, Chairman  
Mr. P. S. Jayakumar, Member  
Mr. Karan Adani, Member

### Reputation Risk Committee

Mr. Bharat Sheth, Chairman  
Mrs. Nirupama Rao, Member  
Mr. Karan Adani, Member

### Registrar and Transfer Agent

Link Intime India Private Limited  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai-400083  
Phone: +91-22-49186270  
Fax: +91-22-49186060

### Bankers and Financial Institutions

Axis Bank Ltd.  
Bank of America N.A.  
Barclays Bank PLC  
Citibank N.A.  
DZ Bank AG  
Standard Chartered Bank  
Bank Mizrahi  
Export-Import Bank of India  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IDFC First Bank Ltd.  
IndusInd Bank Ltd.  
Kotak Mahindra Bank Ltd.  
Mizuho Bank Ltd.  
State Bank of India  
JP Morgan Chase Bank, N.A.  
Yes Bank Ltd.  
Sumitomo Mitsui Banking Corporation  
MUFG Bank Ltd.  
Bank of Baroda  
DBS Bank

## IMPORTANT COMMUNICATION TO SHAREHOLDERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its shareholders/members. To support this green initiative of the Government in full, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses and in case of shareholders holding shares in demat, with depository through concerned Depository Participants.

# Directors' report

*Dear Shareowners,*

Your Directors are pleased to present the 24<sup>th</sup> Annual Report along with the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2023 ("FY 2022-23/ FY23").

## Financial Performance

The Audited Financial Statements of your Company as on 31<sup>st</sup> March, 2023, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below:

(₹ In crore)

Particulars	Consolidated		Standalone	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	20,851.91	17,118.79	5,237.15	4,206.22
Other Income	1,553.48	2,223.72	2,998.79	2,519.31
<b>Total Income</b>	<b>22,405.39</b>	<b>19,342.51</b>	<b>8,235.94</b>	<b>6,725.53</b>
Expenditure other than Depreciation and Finance cost	8,018.46	6,722.28	1,966.50	1,653.28
Depreciation and Amortisation Expenses	3,423.24	3,099.30	612.98	599.61
Foreign Exchange (Gain) / Loss (net)	1,886.32	872.07	2,446.14	895.42
Finance Cost				
- Interest and Bank Charges	2,593.62	2,559.61	2,769.50	2,509.36
- Derivative (Gain)/Loss (net)	(230.98)	(15.69)	(89.11)	(15.70)
<b>Total Expenditure</b>	<b>15,690.66</b>	<b>13,237.57</b>	<b>7,706.01</b>	<b>5,641.97</b>
<b>Profit before share of Profit/ (Loss) from joint ventures, exceptional items and tax</b>	<b>6,714.73</b>	<b>6,104.94</b>	<b>529.93</b>	<b>1,083.56</b>
Share of loss from joint ventures	47.78	17.39	-	-
<b>Profit before exceptional items and tax</b>	<b>6,762.51</b>	<b>6,122.33</b>	<b>529.93</b>	<b>1,083.56</b>
Add/(Less):- Exceptional Items	(1,273.38)	(405.19)	(1,558.16)	(611.83)
<b>Total Tax Expense</b>	<b>96.38</b>	<b>763.96</b>	<b>(548.80)</b>	<b>324.17</b>
<b>Profit/loss for the year</b>	<b>5,392.75</b>	<b>4,953.18</b>	<b>(479.43)</b>	<b>147.56</b>
<b>Other Comprehensive income (net of tax)</b>	<b>(531.00)</b>	<b>(73.46)</b>	<b>6.57</b>	<b>7.78</b>
<b>Total Comprehensive Income for the year (net of tax)</b>	<b>4,861.75</b>	<b>4,879.72</b>	<b>(472.86)</b>	<b>155.34</b>
<b>Attributable to:</b>				
Equity holders of the parent	4,773.57	4,810.96	-	-
Non-controlling interests	88.18	68.76	-	-

1. There are no material changes and commitments affecting the financial position of your Company, which have occurred between the end of the financial year and the date of this report except for disinvestment in Coastal International Terminals Pte Limited.
2. Previous year figures have been regrouped/re-arranged wherever necessary.
3. There has been no change in nature of business of your Company.

## Performance Highlights

Your Company handled record cargo throughput of 339 MMT in FY23 with 9% Y-o-Y growth. Mundra Port continues to be India's largest seaport with 155 MMT of total cargo handled during the year under review.

The key aspects of your Company's consolidated performance during the FY23 are as follows:

- The overall container volumes handled by your Company in India jumped to ~8.6 million TEUs (+5% YoY), including ~6.6 million TEUs at Mundra Port alone.
- APSEZ's following ports/terminals have handled all time highest cargo in FY23 - Mundra Port, Tuna Terminal, Hazira Port, Mormugao Terminal, Kattupalli Port & Ennore Container Terminal.
- Operating ports portfolio expanded to 12 Indian Ports/Terminals, including the recently acquired Karaikal Port.
- A fully loaded cape-size vessel, MV NS Hairun, with a maximum draft of 17.85 meters sailed out from the Krishnapatnam Port with 1,68,100 MT of iron ore. Gangavaram Port has berthed largest displacement vessel to date (in June 2022) - MV MARAN FIDELITY - with Displacement of 2,21,083 MT & Cargo Parcel of 1,85,000 MT.
- Progressively, non-Mundra ports volume share in APSEZ ports portfolio is growing. In FY23, Mundra port's volume share in APSEZ's total volumes (excluding Haifa) was 46%, vs 48% in FY22. This indicates volume diversification and reduction in concentration risk. Similar trends were also witnessed in APSEZ ports' container volumes, Mundra Port's share in APSEZ total container volumes (excluding Haifa) has come down to 77.3% in FY23 from 79.4% in FY22. Also, the cargo volume share of east coast ports has increased to 39% in FY23 from 38% last year.
- Expanded the operating ports portfolio footprint outside India with acquisition of Haifa Port Company, the operator of Israel's largest port.
- Consolidated revenue from operations stood at ₹20,851.91 crore in FY23.
- Consolidated profit after tax for FY23 stood at ₹5,392.75 crore.

## Mundra Port:

- Handled the deepest container vessel – MSC Washington with an arrival draft of 17 meters – largest ever handled by any Indian port and the largest vessel, MSC Fatma, with a vessel length of 366 meters and carrying capacity of 15,194 TEUs.
- The port also docked its first LNG-fueled vessel, Aframax Crude Oil Tanker, at its SPM facility. The draft is 14 meters long with a total displacement of 1,26,810 MT.

## Logistics:

- Containers transported through rail during the year achieved a new milestone crossing 500,000 TEUs (+ 24% Y-o-Y).
- Bulk cargo has witnessed strong growth with 63% Y-o-Y increase and bulk cargo transportation exceeded 14 MMT milestone.
- Terminal volumes crossed 350,000 TEUs reflecting a 19% Y-o-Y growth.
- Acquired ICD "Tumb" under logistics portfolio, one of the largest ICD in India with a capacity of 0.5 Mn TEUs.
- Added 18 rakes taking total rakes count to 93.
- Commissioned Taloja MMLP near Mumbai increasing our number of operational terminals to 9.
- Operational silo capacity increased to ~1.1 MMT, 2 silos in project stage that are planned to be commissioned in FY24

The detailed operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Section which forms part of this Integrated Annual Report.

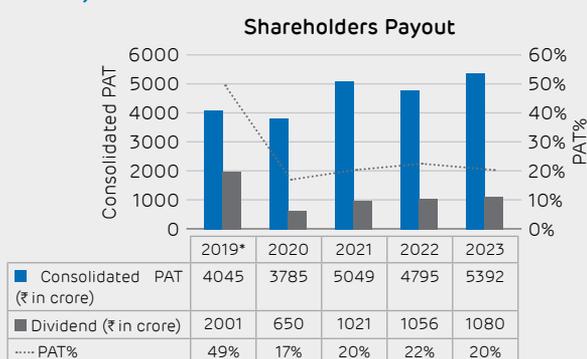
## Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. The details of credit rating are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Dividend

Your Directors have recommended a dividend of ₹5 (250%) per Equity Share of ₹2 each and 0.01% dividend on 0.01% Non-Cumulative Redeemable Preference Shares of ₹10 each for FY23. The dividend is subject to approval of shareholders at the ensuing Annual General Meeting and shall be subject to deduction of tax at source. The dividend, if approved by the shareholders, would involve a cash outflow of ₹1,080 crore.

The details of shareholders' payout during the last 5 years are as under:



\*Includes buyback amount of ₹1960 crore.

The dividend recommended is in accordance with your Company's Dividend Distribution and Shareholder Return Policy. The Dividend Distribution and Shareholder Return Policy, in terms of Regulation 43A of the SEBI Listing Regulations is available on your Company's website on <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Dividend-Distribution-and-Shareholder-Return-Policy.pdf>.

### Transfer to Reserves

There is no amount proposed to be transferred to the Reserves. The closing balance of the retained earnings of your Company for FY23, after all appropriations and adjustments was ₹27,057.02 crore.

### Buyback of Senior Unsecured Notes ('Senior Notes') - Rule 144A/Regulation S

The Board approved the proposal to buy back 3.375% US\$ 650 million Senior Unsecured Notes due in 2024 in one or more tranches. Your Company completed early settlement of Senior Notes tendered pursuant to the Tender Offer to purchase for cash up to US\$130 million on 10<sup>th</sup> May, 2023.

For the remaining outstanding Senior Notes, the Company may choose to either accelerate or defer this plan subject to its own liquidity position and the market conditions and further subject to the terms, including the pricing and market conditions.

### Status of Scheme of Arrangement

During the year under review, Hon'ble National Company Law Tribunal, Ahmedabad Bench and Hyderabad Bench ("NCLT") vide their orders dated 21<sup>st</sup> September, 2022 and 10<sup>th</sup> October, 2022, respectively, approved the Composite Scheme of Arrangement between Gangavaram Port Limited ("GPL") and Adani Ports and Special Economic Zone Limited ("Company") and Adani Gangavaram Port Private Limited ("AGPL") and their respective shareholders and creditors ("Composite Scheme") under sections 230 to 232 and other applicable provisions of the Act.

Pursuant to the orders of the NCLT, GPL merged with the Company w.e.f. the appointed date 1 i.e. 1<sup>st</sup> April, 2021 and subsequently, Divestment Business Undertaking (as defined in the Composite Scheme) of the Company was transferred to the AGPL as a going concern on slump sale basis w.e.f. appointed date 2 i.e. 2<sup>nd</sup> April, 2021.

Pursuant to the Composite Scheme, your Company has allotted 4,77,65,715 Equity Shares of the face value of ₹2 each fully paid up, to the shareholders of GPL.

### Changes in Share Capital

Pursuant to approval of the Composite Scheme, the authorized share capital of your Company has been increased from ₹1,100 crore to ₹2,100 crore.

Further, the equity paid up share capital of your Company stands increased from 211,23,73,230 Equity Shares of ₹2 each to 216,01,38,945 Equity Shares of ₹2 each.

### Strategic Acquisitions/ Divestment

#### A. Acquisition of stake in Indianoil Adani Ventures Limited (formerly, Indian Oil Tanking Limited) and IOT Utkal Energy Services Limited

During the year under review, your Company entered into definitive agreement with Oiltanking India GmbH to acquire its 49.38% equity stake in Indianoil Adani Ventures Limited [formerly, Indian Oil Tanking Limited ("IOTL")] and 10% equity stake in IOT Utkal Energy Services Limited, subsidiary of IOTL.

IOTL and its subsidiaries have a network of terminals with a total capacity of 2.1 Mn KL for tank storage and handling of crude and petroleum products. IOTL's business is located in Navghar, Paradip, Raipur, Goa, IOCL's JNPT & Dumad terminals. IOTL also has a biogas plant of 15 TPD capacity in Namakkal, Tamil Nadu.

The said transaction was completed on 1<sup>st</sup> February, 2023. The consideration for Oiltanking India GmbH's 49.38% stake in IOTL along with Oiltanking GmbH's 10% stake in IOT Utkal Energy Services Limited was ₹1,050 crore.

#### B. Acquisition of Karaikal Port Private Limited

During the year under review, Hon'ble National Company Law Tribunal, Chennai Bench vide its order dated 31<sup>st</sup> March, 2023 ("NCLT Order") approved the Resolution Plan for Karaikal Port Private Limited ("KPPL") submitted under the Insolvency and Bankruptcy Code, 2016 by your Company. Pursuant to the said NCLT Order, the existing equity share capital of KPPL stands cancelled and KPPL allotted fresh 10,00,000 equity shares of ₹10 each to the Company on 31<sup>st</sup> March, 2023. Accordingly, KPPL became wholly owned subsidiary of the Company.

Karaikal Port is an all-weather deep-water port in Puducherry with 5 operational berths, 3 railway sidings, total land area of over 600 hectares and a built-in cargo handling capacity of 21.5 MMT. The port is in proximity to the containerized

cargo originating industrial centres of Tamil Nadu and the upcoming 9 MMTPA CPCL refinery. Your Company acquired KPPL at a total consideration of ₹1,485 crore.

### C. Acquisition of Inland Container Depot cum Private freight terminal situated at Tumb

Adani Forwarding Agent Private Limited, a step-down subsidiary of your Company, acquired ownership and operation rights of Inland Container Depot cum Private freight terminal situated at Tumb village from Navkar Corporation Limited for a consideration of ₹835 crore on 16<sup>th</sup> August, 2022.

### D. Acquisition of Haifa Port Company Limited

Your Company incorporated a Joint Venture with Gadot Chemical Terminals (1985) Limited at Israel namely Mediterranean International Ports A.D.G.D Limited on 13<sup>th</sup> November, 2022. Your Company holds 70% stake in Mediterranean International Ports A.D.G.D Limited ("MIPAL"). MIPAL acquired Haifa Port Company Limited, Israel on 10<sup>th</sup> January, 2023, from Government of Israel.

### E. Divestment of Coastal International Terminals Pte Limited

Your Company had entered into Share Purchase Agreement for sale of its investment in Coastal International Terminals Pte Limited, Singapore in May, 2022 subject to certain conditions precedents and approvals.

In view of continuous delay in the approval process and challenges in meeting certain conditions precedents, your Company has obtained an independent valuation on "as is where is" basis. Thereby the buyer and seller have renegotiated the sale consideration to USD 30 million. On receipt of the total transaction value, your Company shall transfer the equity to the buyer and its exit will stand concluded.

### Fixed Deposits

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of FY23 or the previous financial years. Your Company did not accept any deposit during the year under review.

### Non-Convertible Debentures

Your Company has outstanding Listed, Secured Redeemable Non-Convertible Debentures ("NCDs") of face value of ₹10 lakh each aggregating to ₹8,352 crore. These NCDs are listed on the Wholesale Debt Market Segment of BSE Limited.

Further, on 2<sup>nd</sup> March, 2023, your Company redeemed 4,940 NCDs, of face value of ₹10 lakh each which were issued on 2<sup>nd</sup> March, 2013, on private placement basis.

### Particulars of loans, guarantees or investments

The provisions of Section 186 of the Act, with respect to a loan, guarantee, investment or security is not applicable to your Company, as your Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Act. The particulars of loans, guarantee and investments made during the year under review are disclosed in the financial statements.

### Subsidiaries, Joint Ventures and Associate Companies

A list of bodies corporate which are subsidiaries/ associates/joint ventures of your Company is provided as part of the notes to consolidated financial statements.

During the year under review, following subsidiaries/ associates/joint ventures have been formed:

- Tajpur Sagar Port Limited
- Adani Aviation Fuels Limited
- Adani Agri Logistics (Sandila) Limited
- Adani Agri Logistics (Gonda) Limited
- Adani Agri Logistics (Chandari) Limited
- Adani Agri Logistics Katihar Two Limited
- PU Agri Logistics Limited
- HM Agri Logistics Limited
- BU Agri Logistics Limited
- Mediterranean International Ports A.D.G.D Limited, Israel
- The Adani Harbour International DMCC, Dubai
- Port Harbour Services International Pte. Limited, Singapore

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, your Company has prepared consolidated financial statements of the Company and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, which forms Part of this Integrated Annual Report.

The Annual Financial Statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and

subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholders during working hours at your Company's registered office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the Audited Financial Statements, including Consolidated Financial Statements and related information of your Company and audited accounts of each of its subsidiaries, are available on website of your Company ([www.adaniports.com](http://www.adaniports.com)).

Your Company has formulated a policy for determining Material Subsidiaries. The policy is available on your Company's website and link for the same is given in **Annexure-A** of this report.

Pursuant to Section 134 of the Act read with rules made thereunder, the details of developments of subsidiaries and joint ventures of your Company are covered in the Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

## Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a section forming part of this Integrated Annual Report.

## Directors and Key Managerial Personnels

As of 31<sup>st</sup> March, 2023, your Company's Board has ten members comprising of two Executive Directors, three Non-Executive and Non-Independent Directors and five Independent Directors including one Woman Director. The details of Board and Committee composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Integrated Annual Report.

### Changes in Directors

Mrs. Avantika Singh Aulakh, IAS (DIN: 07549438), representing Gujarat Maritime Board, resigned as Director of your Company w.e.f. 21<sup>st</sup> September, 2022. The Board places on record the deep appreciation for valuable services and guidance provided by her during the tenure of her Directorship.

Mr. Ranjitsinh B. Barad, IAS (DIN:07559958), Vice Chairman & CEO, Gujarat Maritime Board was appointed an Additional Director of your Company w.e.f. 21<sup>st</sup> December, 2022. His appointment was approved by the shareholders by passing a resolution through Postal Ballot on 28<sup>th</sup> January, 2023.

### Re-appointment of Director

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Dr. Malay Mahadevia (DIN: 00064110) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Dr. Malay Mahadevia (DIN: 00064110) as Director for your approval. Brief details as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of AGM.

### Declaration from Independent Directors

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director.

### Change in Key Managerial Personnel

During the year under review, Mr. D. Muthukumar was appointed as Chief Financial Officer and Key Managerial Personnel of your Company w.e.f. 25<sup>th</sup> July, 2022.

Pursuant to provision of Section 203 of the Act, Mr. Gautam S. Adani, Chairman & Managing Director, Mr. Karan Adani, CEO & Whole-Time Director, Mr. D. Muthukumar, Chief Financial Officer and Mr. Kamlesh Bhagia, Company Secretary are Key Managerial Personnel of your Company as on 31<sup>st</sup> March, 2023.

## Committees of Board

Details of various committees constituted by the Board, including the committees mandated pursuant to the applicable provisions of the Act and SEBI Listing Regulations, are given in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Number of meetings of the Board

The Board met 6 (six) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Independent Directors' Meeting

The Independent Directors met on 22<sup>nd</sup> March, 2023, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## Board Evaluation and familiarization programme

The Nomination and Remuneration Committee engaged Talentonic HR Solutions Private Limited, an external advisory company, to facilitate the evaluation and effectiveness process of the Board, its Committees and Individual Directors for the FY23.

A detailed Board effectiveness assessment questionnaire was developed by advisory company based on the criteria and framework adopted by the Board. Virtual meetings were organized with the Directors and discussions were held on three key themes i.e. strategic direction, fit-for-use and focus on Environment, Social and Governance.

The results of evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The recommendations arising from the evaluation process were discussed at the Independent Directors' meeting held on 22<sup>nd</sup> March, 2023 and also at the Nomination and Remuneration Committee meeting and Board meeting held on 29<sup>th</sup> May, 2023 and 30<sup>th</sup> May, 2023, respectively. The same was considered by the Board to optimize the effectiveness and functioning of Board and its Committees.

During the year under review, the Company has also conducted various programmes/meetings for familiarization of Directors on different aspects.

## Policy on Directors' appointment and remuneration

Your Company's policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") pursuant to Section 178(3) of the Act is available on the website of your Company at <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Remuneration-Policy.pdf>.

The Remuneration Policy for selection of Directors and determining Directors' independence sets

out the guiding principles for the Nomination and Remuneration Committee for identifying the persons who are qualified to become the Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on review of achievements. The Remuneration Policy is in consonance with existing industry practice.

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy.

## Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from your Company, confirm that:

- a. in the preparation of the Annual Financial Statements, the applicable accounting standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c. they have taken proper and sufficient care for the 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 fraud and other irregularities;
- d. they have prepared the Annual Financial Statements on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and such internal financial control are adequate and operating effectively;
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## Internal Financial control system and their adequacy

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

## Risk Management

The Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. The Board has formed a Risk

Management Committee (RMC) to frame, implement and monitor the risk management plan for the Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further details on the Risk Management activities, including the implementation of risk management policy, key risks identified and their mitigations are covered in Management Discussion and Analysis section, which forms part of this Integrated Annual Report.

### Board policies

The details of various policies approved and adopted by the Board as required under the Act and SEBI Listing Regulations are provided in **Annexure – A** to this report.

### Corporate Social Responsibility (CSR)

The brief details of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report. The CSR policy is available on the website of your Company at <https://www.adaniports.com/Investors/Corporate-Governance>. The Annual Report on CSR activities is annexed and forms part of this Integrated Annual report.

Further, the Chief Financial Officer of your Company has certified that CSR spends of your Company for FY23 have been utilized for the purpose and in the manner approved by the Board of Directors of the Company.

### Corporate Governance Report

Your Company is committed to maintain highest standards of corporate governance practices. The Corporate Governance Report, as stipulated by SEBI Listing Regulations, forms part of this Integrated Annual Report along with the required certificate from a Practicing Company Secretary, regarding compliance of the conditions of corporate governance, as stipulated.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company at <https://www.adaniports.com/Investors/Corporate-Governance>

## Business Responsibility & Sustainability Report

In accordance with the SEBI Listing Regulations, the Business Responsibility & Sustainability Report, describing the initiatives taken by your Company from an environment, social and governance perspective for FY23. Business Responsibility & Sustainability Report for FY23 forms part of this Integrated Annual Report.

### Annual Return

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on 31<sup>st</sup> March, 2023 prepared in accordance with Section 92(3) of the Act is made available on the website of your Company and can be accessed using the <https://www.adaniports.com/-/media/Project/Ports/Investor/Investor-Downloads/Annual-Return/Annual-Return-2023.pdf>

### Transactions with Related Parties

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All transactions with related parties entered into during the financial year were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.

The Directors/ Members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested.

Your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

Your Company did not enter into any related party transactions during the year which could be prejudicial to the interest of minority shareholders.

The Policy on Related Party Transactions is available on your Company's website and can be accessed using the link <https://www.adaniports.com/Investors/Corporate-Governance>.

### Insurance

Your Company has taken appropriate insurance for all assets against foreseeable perils.

## Statutory Auditors & Auditors' Report

Pursuant to Section 139 of the Act read with rules made thereunder, as amended, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No 117366W/W-100018) were re-appointed as the Statutory Auditors of your Company for the second term of five years till the conclusion of 28<sup>th</sup> Annual General Meeting (AGM) of your Company to be held in the year 2027.

The Statutory Auditors have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company.

Representative of the Statutory Auditors of your Company attended the previous AGM of your Company held on 26<sup>th</sup> July, 2022.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory.

## Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, read with the rules made thereunder, the Board re-appointed Mr. Ashwin Shah, Practicing Company Secretary, to undertake the Secretarial Audit of your Company for FY23. The Secretarial Audit Report for the year under review is provided as **Annexure-B** of this report.

## Explanation to Statutory and Secretarial Auditors' Modified Opinion

The Statutory and Secretarial Auditors' modified opinion has been appropriately dealt with in Note No. 47 and 48 of the Standalone Financial Statements and Note No. 40(ii) and 58 of the Consolidated Financial Statements.

## Secretarial Audit of Material Unlisted Indian Subsidiary

As on 31<sup>st</sup> March, 2023 your Company had 5 material subsidiaries.

As per the requirements of SEBI Listing Regulations, the Practicing Company Secretaries re-appointed by respective material subsidiaries of the Company undertook secretarial audit of these subsidiaries for FY23. Each secretarial audit report confirms that the relevant material subsidiary has complied with the provisions of the Act, rules, regulations and guidelines and that there were no deviations or non-compliances. The secretarial audit reports of each material subsidiary forms part of this Integrated Annual Report.

## Secretarial Standards

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

## Investor Education and Protection Fund (IEPF)

During the year, your Company transferred the unclaimed and un-encashed dividends for the year 2014-15 (final) and 2015-16 (interim) to IEPF. Further, corresponding shares, on which dividends were unclaimed for seven consecutive years, were transferred to IEPF as per the requirements of the IEPF Rules.

## Reporting of frauds by auditors

During the year under review, the statutory auditors and secretarial auditor of your Company have not reported any instances of fraud committed in your Company by its officers or employees, to the Audit Committee under section 143(12) of the Act.

## Particulars of Employees

Your Company had 3,052 (consolidated basis) employees as of 31<sup>st</sup> March, 2023.

The percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) to the median of employees' remuneration, as required under Section 197 of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure-C** of this report.

The statement containing particulars of employees, as required under Section 197 of the Act, read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the Integrated Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure, which is available for inspection by the shareholders at the Registered Office of your Company during business hours on working days of your Company. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to the Company Secretary in this regard.

## Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition &

Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committees (ICs), at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and make decisions at the respective locations. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely.

During the year under review, your Company has not received any complaint pertaining to sexual harassment.

All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by your Company.

### Vigil Mechanism

Your Company has adopted a whistle blower policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The vigil mechanism of your Company provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of your Company at <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf>

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, as amended is provided as **Annexure-D** of this report.

### General Disclosures

Neither the Executive Chairman nor the CEO of your Company received any remuneration or commission from any of the subsidiary of your Company.

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions/events of these nature during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of your Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and your Company's operation in future.
4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by your Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Act).
5. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
6. One time settlement of loan obtained from the Banks or Financial Institutions.
7. Revision of financial statements and Directors' Report of your Company.

### Acknowledgement

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, Maritime Boards, concerned Government Departments, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in your Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that your Company continues to grow and excel.

For and on behalf of the Board of Directors

**Gautam S. Adani**

*Chairman and Managing Director*

Date: 30<sup>th</sup> May, 2023

(DIN: 00006273)

Place: Ahmedabad

## Annexure- A to the Directors' Report

Sr. No.	Policy Name	Web-link
1	Vigil Mechanism / Whistle Blower Policy [Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act]	<a href="#">Click here for Policy</a>
2	Policy for procedure of inquiry in case of leak or suspected leak of unpublished price sensitive information [Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations]	<a href="#">Click here for Policy</a>
3	Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information [Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations]	<a href="#">Click here for Policy</a>
4	Terms of Appointment of Independent Directors [Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act]	<a href="#">Click here for Policy</a>
5	Familiarization Program [Regulations 25(7) and 46 of SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
6	Related party transactions [Regulation 23 of SEBI Listing Regulations and as defined under the Act]	<a href="#">Click here for Policy</a>
7	Policy on Material Subsidiary [Regulation 24 of the SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
8	Material Events Policy [Regulation 30 of SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
9	Website content Archival Policy [SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
10	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
11	Nomination and Remuneration Policy of Directors, KMP and other Employees [Regulation 19 of the SEBI Listing Regulations and as defined under Section 178 of the Act]	<a href="#">Click here for Policy</a>
12	CSR Policy [Section 135 of the Act]	<a href="#">Click here for Policy</a>
13	Dividend Distribution and Shareholder Return Policy [Regulation 43A of the SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
14	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
15	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	<a href="#">Click here for Policy</a>
16	Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders [Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations]	<a href="#">Click here for Policy</a>

# Annexure - B to the Directors' Report

## Secretarial Audit Report

### Form No. MR-3

for the financial year ended March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members

#### **Adani Ports and Special Economic Zone Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Adani Ports and Special Economic Zone Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives in the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
  - a. The Explosives Act, 1884 and Gas Cylinder Rules, 2004
  - b. The Legal Metrology Act, 2009 & The Gujarat Legal Metrology (Enforcement) Rules, 2011
  - c. The Petroleum Act, 1934 and The Petroleum Rules, 2002
  - d. The Gujarat Special Economic Zone Act, 2004 & The Gujarat Special Economic Zone Rules, 2005

- e. The Merchant Shipping Act, 1958
- f. International Convention For The Safety of Life At Sea, 2002
- g. Gujarat Maritime Board Act, 1981
- h. The Indian Railways Act, 1989 & Wagon Investment Scheme

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India.
- b. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. ("LODR")

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of certain e-forms with additional fees.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor

and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** the regulatory authorities have sought clarifications from the Company on short seller report ("Report") which has been replied by the Company. In same matter, the expert committee constituted by Hon'ble Supreme Court of India has reported that no regulatory failure are observed. The matter is sub judice. To uphold the principles of good governance, the Adani Group had undertaken an independent review of transactions referred in the said Report through a reputed law firm. The review report confirms compliance of applicable laws and regulations.

**I further report that** during the audit period, the Company has passed special resolutions for:

1. Re-appointment of Mr. Gautam S. Adani (DIN: 00006273) as a Managing Director of the Company for a period of five years w.e.f. 1<sup>st</sup> July, 2022.
2. Re-appointment of Mr. Karan Adani (DIN: 03088095) as Whole-time Director of the Company for a period of five years w.e.f. 24<sup>th</sup> May, 2022.
3. Re-appointment of Mr. Bharat Sheth (DIN: 00022102) as an Independent Director of the Company for a second term of three years w.e.f. 15<sup>th</sup> October, 2022.

**CS Ashwin Shah**

*Company Secretary*

C.P.No. 1640

Quality Reviewed 2021

PRC:1930/2022

Place: Ahmedabad

Date: 30<sup>th</sup> May, 2023

UDIN: F001640E000413458

Note: This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

## Annexure - A to the Secretarial Audit Report

To  
The Members  
**Adani Ports and Special Economic Zone Limited**

My report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**CS Ashwin Shah**

*Company Secretary*

C.P.No. 1640

Quality Reviewed 2021

PRC:1930/2022

UDIN: F001640E000413458

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

# Form No. MR-3

## SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014)]

To,  
The Members  
**ADANI LOGISTICS LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI LOGISTICS LIMITED, (CIN: U63090GJ2005PLC046419) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical inspection or verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under:- **Not Applicable to the company during the Audit period;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial

Borrowings:- **Not Applicable to the company during the Audit period**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018:- **Not Applicable to the company during the Audit period;**
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014:- **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:- **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:- **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018:- **Not Applicable to the company during the Audit period; and**
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: **Not Applicable to the company during the Audit period.**

- (vi) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:-
- a. The Indian Railway Act, 1989
  - b. The Punjab Shops and Establishment Act, 1958
  - c. The Contract Labour Regulation and Abolition Act, 1970
  - d. The Food Safety and Standards Act, 2006
  - e. The Customs Act, 1962
  - f. The Central Excise Act, 1944

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreement / SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchanges: **Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as applicable. The changes in the composition of the Board that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In certain cases, shorter notice was given for meetings and the consent of all Directors was taken for the same.

All decisions at Board Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that,** during the audit period there were no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred above.

For, **P. PARIKH & ASSOCIATES**

**Parthiv Parikh**

*Proprietor*

FCS No. 2692

C P No.: 19200

Place: Ahmedabad

UDIN: F002692E000406898

Date: 29<sup>th</sup> May, 2023

Peer Review Certificate

No:2238/2022

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure A

To  
The Members  
**ADANI LOGISTICS LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **P. PARIKH & ASSOCIATES**

**Parthiv Parikh**

*Proprietor*

FCS No. 2692

C P No.: 19200

UDIN: F002692E000406898

Peer Review Certificate No:2238/2022

Place: Ahmedabad  
Date: 29<sup>th</sup> May, 2023

# Form No. MR-3

## SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**ADANI HAZIRA PORT LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Adani Hazira Port Limited (herein after referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have verified the records maintained by the Company. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have online examined the books, papers, minute books, forms and returns filed and other records maintained by Adani Hazira Port Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) Since the Company is not listed on the stock exchange and does not intent to get its shares listed on the Stock Exchange the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company.

(vii) There are no laws which are specifically applicable to the Company.

Since the Company is not listed on the stock exchange, provisions of the SEBI (LODR) Regulations, 2015 are not applicable. We have examined compliance with applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India for holding Board and General meetings.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period of the Company, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2023

For, **Ravi Kapoor & Associates**

**Ravi Kapoor**  
*Company Secretary in practice*  
FCS No. 2587  
C P No.: 2407  
UDIN: F002587E000396178

## Annexure-A

To,  
The Members  
**ADANI HAZIRA PORT LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **Ravi Kapoor & Associates**

**Ravi Kapoor**

*Company Secretary in practice*

FCS No. 2587

C P No.: 2407

UDIN: F002587E000396178

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2023

# Form No. MR-3

## SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**THE ADANI HARBOUR SERVICES LIMITED**  
**(FORMERLY KNOWN AS THE ADANI HARBOUR**  
**SERVICES PRIVATE LIMITED)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THE ADANI HARBOUR SERVICES LIMITED (CIN:U61100GJ2009FLC095953) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder:- **Not Applicable to the company during the Audit period;**
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment And External Commercial Borrowings;
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: - Not Applicable to the company during the Audit period;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: - Not Applicable to the company during the Audit period;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: - Not Applicable to the company during the Audit period;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: - Not Applicable to the company during the Audit period;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: - Not Applicable to the company during the Audit period;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: - Not Applicable to the company during the Audit period;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: - Not Applicable to the company during the Audit period; and
  - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: - Not

Applicable to the company during the Audit period.

(vi). Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:

- a. Indian Ports Act, 1908
- b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s): -

**Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that,** the Board of Directors of the Company is duly constituted in compliance with the Act and rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and rules made thereunder.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items

before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**We further report that** during the year Company has passed following special resolution in Annual General Meeting held on July 5, 2022:

1. Appointment of Mr. Hiren Shah (DIN: 0275758), as a Managing Director liable to retire by rotation.

**CS Dhvani Rana**

*Partner*

Chirag Shah and Associates

FCS No.: 12523

C P No.: 21737

Place: Ahmedabad UDIN: F012523E000413363

Date: 29<sup>th</sup> May, 2023 Peer Review Cer. No.: 704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure A

To,  
The Members  
**THE ADANI HARBOUR SERVICES LIMITED**  
**(FORMERLY KNOWN AS THE ADANI HARBOUR SERVICES PRIVATE LIMITED)**

Our Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: 29<sup>th</sup> May, 2023

**CS Dhvani Rana**  
*Partner*  
Chirag Shah and Associates  
FCS No.: 12523  
C P No.: 21737  
UDIN: F012523E000413363  
Peer Review Cer. No.: 704/2020

# Form No. MR-3

## SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members

**ADANI KRISHNAPATNAM PORT LIMITED  
(FORMERLY KNOWN AS KRISHNAPATNAM PORT  
COMPANY LIMITED)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI KRISHNAPATNAM PORT LIMITED (FORMERLY KNOWN AS KRISHNAPATNAM PORT COMPANY LIMITED) (CIN: U45203GJ1996PLC128239) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder: **-Not Applicable to the company during the Audit period;**
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. - **Not Applicable to the company during the Audit period;**
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **-Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **-Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **-Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: **-Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: **-Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **-Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018:

**-Not Applicable to the company during the Audit period; and**

- i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: **-Not Applicable to the company during the Audit period.**

(vi). Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:

- a. Indian Ports Act, 1908
- b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s): -Not Applicable to the company during the Audit period.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**, the Board of Directors of the Company is duly constituted in compliance with the Act and rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and rules made thereunder.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on

agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that**, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that**, during the reporting period Company has passed following Special Resolution in Annual General Meeting held on **July 25, 2022**.

1. Ratification of remuneration paid to Mr. Avinash Rai as a Managing Director of the Company.

**CS Bhavi Parikh**

*Partner*

Samdani Shah And Kabra

ACS No. 23190

C P No.: 8740

Place: Ahmedabad UDIN: A023190E000400237

Date: 27<sup>th</sup> May, 2023 Peer Review Cert. No.: 1079/2021

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure A

**To,  
The Members  
ADANI KRISHNAPATNAM PORT LIMITED  
(FORMERLY KNOWN AS KRISHNAPATNAM PORT COMPANY LIMITED)**

Our Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**CS Bhavi Parikh**

*Partner*

Samdani Shah And Kabra

ACS No. 23190

C P No.: 8740

UDIN: A023190E000400237

Peer Review Cert. No.: 1079/2021

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2023

# Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members  
THE DHAMRA PORT COMPANY LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THE DHAMRA PORT COMPANY LIMITED (CIN: U45205OR1998PLC005448) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder: - **Not Applicable to the company during the Audit period;**
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: -**Not Applicable to the company during the Audit period;**
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: -**Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: -**Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: - **Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: - **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: - **Not Applicable to the company during the Audit period; and**

- i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: -Not Applicable to the company during the Audit period.
- (vi). Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:
- a. Indian Ports Act, 1908
  - b. The Merchant Shipping Act, 1958
- We have also examined compliance with the applicable clauses of the following:
- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
  - b. The Listing Agreements entered into by the Company with Stock Exchange(s):- Not Applicable to the company during the Audit period.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that,** the Board of Directors of the Company is duly constituted in compliance with the Act and rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and rules made thereunder.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items

before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**We further report that,** during the reporting period Company has passed following Special Resolution in Annual General Meeting held on **July 23, 2022:**

1. Appointment of Mr. Subrat Tripathy (DIN: 06890393), as a Managing Director liable to retire by rotation.

**CS Dhvani Rana**

*Partner*

Chirag Shah and Associates

FCS No.: 12523

C P No.: 21737

Place: Ahmedabad UDIN: F012523E000413462

Date: 29<sup>th</sup> May, 2023 Peer Review Cer. No.: 704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure A

To,  
The Members  
**THE DHAMRA PORT COMPANY LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: 29<sup>th</sup> May, 2023

**CS Dhvani Rana**  
*Partner*  
Chirag Shah and Associates  
FCS No.: 12523  
C P No.: 21737  
UDIN: F012523E000413462  
Peer Review Cer. No.: 704/2020

## Annexure – C to the Directors' Report

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2022-23:**

Name of Directors/KMP	Ratio of remuneration to median remuneration of employees	% increase in remuneration in the financial year
<b>Executive Directors:</b>		
Mr. Gautam S. Adani	17.24:1	-
Mr. Karan Adani	51.66:1	22.58
<b>Non-Executive Directors:</b>		
Mr. Rajesh S. Adani <sup>1</sup>	0.29:1	-
Dr. Malay Mahadevia <sup>1</sup>	0.41:1	-
Mrs. Avantika Singh Aulakh <sup>2</sup>	-	-
Mr. Ranjitsinh B. Barad, IAS <sup>3</sup>	-	-
Prof. G. Raghuram <sup>4</sup>	2.83:1	-
Mr. G. K. Pillai <sup>4</sup>	2.98:1	-
Mrs. Nirupama Rao <sup>4</sup>	2.43:1	-
Mr. Bharat Sheth <sup>4</sup>	2.26:1	-
Mr. P. S. Jayakumar <sup>4</sup>	2.74:1	-
<b>Key Managerial Personnel:</b>		
Mr. D. Muthukumaran <sup>5</sup>	65.13:1	-
Mr. Kamlesh Bhagia	4.96:1	45.03

<sup>1</sup>Reflects sitting fees

<sup>2</sup>Resigned w.e.f. 21.09.2022

<sup>3</sup>Appointed w.e.f. 21.12.2022

<sup>4</sup>Reflects sitting fees and commission/remuneration

<sup>5</sup>First year of appointment

**ii) The percentage increase in the median remuneration of employees in the financial year:** 11.20%

**iii) The number of permanent employees on the rolls of Company:** 1,426 (standalone basis) as on 31<sup>st</sup> March, 2023.

**iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

- Average increase in remuneration of employees excluding KMPs: 11.10%
- Average increase in remuneration of KMPs: 12.03%
- KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

**v) Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

The Company affirms remuneration is as per the Remuneration Policy of the Company.

## Annexure – D to the Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Information as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

### A. Conservation of Energy

#### I) Steps taken or impact on conservation of energy.

1. The average power factor of the system has been maintained up to 0.96 for multi-purpose Terminal (MPT).
2. Three Nos. RTGs running on master drive was upgraded to sinamics drive at CT2. The upgraded drives enable utilization of reverse power generated during the operation. About 25% of forward energy consumed is recovered as reverse power for three crane.
3. Use Astronomic timers for all common lightings, working on locations co-ordinates.

#### II) Steps taken by the Company for utilizing alternate sources of energy.

- 30KW solar plant installed on APL road for Street light.
- The installed LED Lights 30 Nos. (1 X 150W) with total load of 4500W running on solar plant.
- Due to Illumination the road safety is increased.
- Solar alternate energy used and generated 33,15,826 units for Multi- purpose Terminal (MPT).

#### III) Capital investment on energy conservation equipment – Not applicable.

### B. Technology Absorption

#### I) Efforts made towards technology absorption.

High volume low speed fan with variable frequency drive installed at fertilizer cargo complex platform area in place of conventional heavy-duty fan. HVLS fan improves air quality, reduces humidity and lower electricity bill.

#### II) Fire Detection system installed in all 20 nos substations of port areas. Fire detection system will give early fire alarm and reduce damde due to fire.

Auto lubrication system is installed in RTGs to remove manual intervention for lubrication of

points in trolley platform area. This modification has benefits like equipment life enhancement, reduce lub consumption, reduce maintenance cost and safer work environment.

- One new STS Cranes is commissioned which has the following new technologies and safety systems in-built, which significantly targets safety of Manpower/Equipment and improve efficiency of operator and better productivity.
  - a) Chassis positioning system.
  - b) Vessel profiling system
  - c) Optical Character Recognition (OCR) System
  - d) Auto lubrication system
  - e) Online Vibration Monitoring System
  - f) Boom Anti Collision and CCTV Camera System
- Fuel level sensor is installed and hooked up with RTG PLC and mimics developed in SCADA for real time monitoring of fuel level in RTGs.
- Auto Position Detection System (PDS) with barcode for 12 nos. of RTG at Terminal-2 for detection of gantry position & yard detection through RFID.
- Lighting masts are ON/OFF through Mobile Application.
- 750KVA DG Set Radiator replaced with coil cooler for better cooling.
- Use MPD (Motor Protection Device) starter for pumps and motors in place of conventional starter.

#### III) Benefits derived like product improvement, cost reduction, product development or import substitution:

There were various types of initiatives that have been taken for safety enhancement and increase productivity.

- a) Fit to purpose vehicle - These fit to purpose vehicles have been customized to get equipped with all required tools, tackles and basic facilities related to repair and maintenance. In case of any maintenance call

across terminal, maintenance team can move to the location to attend the issue problem along with the tools and tackles kept in the vehicle itself, this reduces breakdown time.

- b) Tyre Handler (MXT 840 K) - Using this equipment the activity of tyre replacement, which is frequent, has become safer as manual handling is eliminated.
- c) Tele handler (MRT 3060) - Telehandler with its different attachment is extremely useful in critical maintenance activities like Fender inspection, underneath jetty inspection, high mast tower lights maintenance, loading/unloading of material etc.
  - Arial Platform: This platform increases efficiency for safe work at height, it require less space for working area so can be used in compact space also, it decreases cycle time to reach one place to another and reduces fuel cost.
  - Installation of RED Zone Light in Mobile Equipment: This is an initiative to safety improvement around the Mobile equipment by illuminating bright RED

warning/danger line on the floor to show pedestrians where they are not allowed. Also, research shows that more than 40% of accidents or pedestrians being crashed by mobile equipment, implemented in 55 equipment with 165 no. of qty.

**IV)** In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):  
**Not applicable**

**V)** Expenditure incurred on Research and Development: **Not applicable**

### C. Foreign Exchange Earnings and Outgo

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

Particulars	₹ in crore)	
	2022-23	2021-22
Foreign exchange earned	113.86	93.88
Foreign exchange outgo	1,653.45	1,554.82

# Annual Report on Corporate Social Responsibility (CSR)

## Activities to be included in Board's Report for Financial Year 2022-23

1. Brief outline on CSR Policy of the Company

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The Company carried out/got implemented its CSR activities/projects through Adani Foundation and other such agencies. The Company has identified Education, Community Health, Sustainable Livelihood and Community Infrastructure as the core sectors for CSR activities.

2. Composition of the CSR Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Nirupama Rao	Chairperson	2	2
2	Mr. G.K. Pillai	Member	2	2
3	Prof. G. Raghuram	Member	2	2
4	Dr. Malay Mahadevia	Member	2	1

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. - <https://www.adaniports.com/Investors/Corporate-Governance>

4. Provide the executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - Not Applicable during the year under review

5. (a) Average net profit of the company as per section 135(5): ₹1,567.45 crore
- (b) Two percent of average net profit of the company as per section 135(5): ₹31.35 crore
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
- (d) Amount required to be set-off for the financial year, if any. Nil
- (e) Total CSR obligation for the financial year [(b)+ (c) - (d)] ₹31.35 crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) ₹31.21 crore
- (b) Amount spent in Administrative Overheads ₹0.67 crore
- (c) Amount spent on Impact Assessment, if applicable Nil
- (d) Total amount spent for the Financial Year [(a)+ (b)+ (c)] ₹31.88 crore
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	In ₹	Date of transfer	Name of the Fund	In ₹	Date of Transfer
₹31.88 Crore	--		--		

(f) Excess amount for set-off, if any -

SI No	Particulars	Amount (₹ In Cr.)
(i)	Two percentage of average net profit of the company as per section 135(5)	31.35
(ii)	Total amount spent for the Financial Year	31.88
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.53
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in the succeeding Financial Years [(iii)-(iv)]	0.53

7. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹).	Deficiency, if any
				Amount (in ₹)	Date of Transfer			
1	FY-1				Not Applicable			
2	FY-2							
3	FY-3							

8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

OYes  No

If yes, enter the number of capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

--

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135: **Not Applicable**

**Gautam S. Adani**  
Chairman and Managing Director  
DIN: 00006273

**Nirupama Rao**  
Chairperson - CSR Committee  
DIN: 06954879

# Management discussion and analysis

## Company overview

Adani Ports and Special Economic Zone Limited (APSEZ) is the largest port developer and operator in India, with a total operating capacity of 558 MMTPA (million metric tonnes per annum) and 11 no. of domestic operating ports and terminals as on 31<sup>st</sup> March 2023. The company is promoted by the Adani Group and is operating from six maritime states of India namely Gujarat, Maharashtra, Goa, Tamil Nadu, Andhra Pradesh, and Odisha as on 31<sup>st</sup> March, 2023.. APSEZ's domestic ports/terminals account for approximately one-fourth of the country's total port capacity, and the company manages large volumes of cargo from both coast areas and the hinterland. The company is also developing a container transshipment port at Vizhinjam in Kerala. APSEZ's operating ports/terminals capacity is divided between the west and east coasts of India, with 60% of its capacity located on the west coast and 40% on the east coast.

APSEZ has set an ambitious goal to become India's largest integrated transport utility company and the world's largest private port company by 2030. APSEZ is dedicated to achieving carbon neutrality by 2025, demonstrating its commitment to reducing emissions and controlling global warming to 1.5°C above pre-industrial levels. The company aims to become carbon-positive by 2030, further validating its commitment to sustainability and reducing its impact on the environment.

## Highlights of FY2022-23 (FY23)

### Ports

- Acquired 98.52% stake in Ocean Sparkle Ltd. (OSL), India's leading third-party marine services provider, through direct acquisition of 74.21% stake of OSL and indirect acquisition of 24.31% stake of OSL (by acquisition of 100% stake of M/S Savi Jana Sea Foods Pvt. Ltd.)
- Consortium of APSEZ and Gadot Group (with 70:30 shareholding) acquired 100% stake in Haifa Port Company (HPC), the operator of Israel's largest port.
- Acquired 49.38% stake in Indian Oiltanking Ltd. (IOTL), one of India's largest third-party liquid tank storage players
- Received LOA from Haldia Port Trust for setting up a 5 MMTPA bulk terminal
- Vizhinjam port is expected to commence operations by March 2024
- APSEZ emerged as the highest bidder for the West Bengal government's greenfield deep-sea port project in Tajpur. In Oct. 2022, APSEZ has received LOIA (Letter of Intent to Award) from WBIDC for development of deep seaport at Tajpur.
- Gangavaram Port Ltd. (GPL) acquisition completed and consolidated in APSEZ books with effect from 1<sup>st</sup> April, 2021

### Logistics

- ALL awarded "Best Rail Freight Service Provider" and "Best Logistics Infrastructure and Service Provider" under National Logistics Excellence Awards scheme by GOI, Ministry of Commerce and Industry
- Certified as "Authorized Economic Operator (AEO)" by CBIC under its Indian AEO Programme
- Commissioned Taloja MMLP near Mumbai in FY23
- Acquisition of ICD Tumb (near Vapi), one of the largest ICDs in India with a capacity of 0.5 Mn TEUs. Along with Taloja, Tumb now serves JNPT as well as Hazira Port
- Awarded tenders for ICD Loni and ICD Valvada, taking the overall count of terminals under management to 11 with one more terminal under construction at Virochannagar
- Completed induction of 18 more rakes taking our overall rake count to 93 for FY23
- Placed orders for 38 more rakes, majority of which will be added in FY24
- Acquired ~0.6 Mn sqft. of warehousing space in FY23 to add to our existing warehousing portfolio

- Awarded bids for setting up silos at 70 more location across 8 states with a cumulative capacity of 2.8 MMT.

### SEZ, BD & Industrial Zones (IZ)

- Subsequent to signing of Agreement with IOCL to augment crude oil capacity by constructing nine new tanks at Mundra enabling it to handle and blend additional 10 MMTPA crude oil, this project is under progress.
- Laying of Natural Gas distribution network in the Mundra SEZ has been planned which on completion will provide pipeline connectivity for the natural gas requirement.
- Ready to Use Facilities including Built-to-Suit and Standard Design Factories across Mundra SEZ has been planned for SEZ entities, who desire to take on rent such developed infrastructure facilities on a long-term basis.
- Similar to Mundra SEZ, Industrial Zones (IZ) across various Ports of APSEZ are being planned to increase Industry led Port Growth, including at Dhamra Port, a Capesize Port with LNG terminal having potential for attracting various Industries.
- The Mundra SEZ currently houses more than 60 Units in various sectors. Moreover, 19 co-developers provide various infrastructure facilities. The investment of more than ₹63,500 crore and employment of more than 26,000 persons (direct & indirect) has already been achieved.
- The cumulative exports have exceeded ₹40,750 crore, with export of ₹9,237 crore during FY 2022-23.
- With aim of diversifying the cargo mix and opening of new cargo lines post acquisition of Dighi Port, commencement of Steel & Sugar cargoes were done in FY 22-23 by offering infrastructure solutions to Clients. Plans are afoot for offering new liquid handling infrastructure along with existing assets to the industry to increase traction for Liquid business.
- Long term contract hiring of 45,000 KL tanks done for POL products at Mundra Port Liquid Tank Terminal, out of which 30,000 KL was rehired.

## Economic review

### Global economic overview

Global economic activity is being impacted by tighter financial conditions, as most central banks continued to tighten monetary policy throughout 2022. Financial markets saw volatility with sovereign bond yields fluctuating in response to hopes of a shift towards smaller rate hikes or stronger economic activity and price pressures. In the US, short-term bond yields reached decadal high levels. Metal prices remain firm despite the easing of crude oil and natural gas prices. Supply conditions have improved globally in recent months.

In March, global financial markets were rattled by the banking turmoil in the US and Europe, as well as accompanying concerns about financial stability. Increased risk aversion led to a flight to safety, with investors seeking refuge in sovereign bonds, causing a sharp decline in yields.

In the second half of 2022, global growth exceeded expectations due to pent-up demand, increased household savings, lower energy prices, labor market improvements, and reduced supply bottlenecks. Recent high frequency indicators suggest that the manufacturing sector downturn is easing, and the service sector is seeing an increase in activity in Q1 of 2023 globally.

IMF in its April release of World Economic Outlook (WEO) observed that the global economy experienced a decline in growth from 3.4 percent in 2022 to 2.8 percent in 2023, before it recovers to 3.0 percent in 2024. This slowdown is anticipated to be particularly significant in advanced economies, which are expected to see a decline from 2.7 percent in 2022 to 1.3 percent in 2023. Global headline inflation is expected to decrease from 8.7 percent in 2022 to 7.0 percent in 2023 due to lower commodity prices. However, the core inflation will likely decrease at a slower rate.

The COVID-19 pandemic has resulted in a significant increase in public debt-to-GDP ratios worldwide, and this is anticipated to remain high. Disruptions in supply chains and escalating geopolitical tensions, has become a focal point of policy discussions due to its potential benefits, costs, and risks and this fragmentation can influence the global FDI flows.

**Table. IMF World Economic Outlook Projections in Apr-23**

(% YoY)	2021	2022	2023	2024
<b>World Output</b>	<b>6.0</b>	<b>3.4</b>	<b>2.8</b>	<b>3.0</b>
<b>Advanced Economies</b>	<b>5.2</b>	<b>2.7</b>	<b>1.3</b>	<b>1.4</b>
United States	5.7	2.1	1.6	1.1
Euro Area	5.2	3.5	0.8	1.4
Germany	2.6	1.8	-0.1	1.1
France	6.8	2.6	0.7	1.3
Italy	6.7	3.7	0.7	0.8
Spain	5.1	5.5	1.5	2.0
Japan	1.7	1.1	1.3	1.0
United Kingdom	7.4	4.0	-0.3	1.0
Canada	4.5	3.4	1.5	1.5
Other Advanced Economies	5.3	2.6	1.8	2.2
<b>Emerging Market and Developing Economies</b>	<b>6.6</b>	<b>4.0</b>	<b>3.9</b>	<b>4.2</b>
Emerging and Developing Asia	7.2	4.4	5.3	5.1
China	8.1	3.0	5.2	4.5
India	8.7	6.8	5.9	6.3
Emerging and Developing Europe	6.8	0.8	1.2	2.5
Russia	4.7	-2.1	0.7	1.3
Latin America and the Caribbean	6.9	4.0	1.6	2.2
Brazil	4.6	2.9	0.9	1.5
Mexico	4.8	3.1	1.8	1.6
Middle East and Central Asia	4.5	5.3	2.9	3.5
Saudi Arabia	3.2	8.7	3.1	3.1
Sub-Saharan Africa	4.7	3.9	3.6	4.2
Nigeria	3.6	3.3	3.2	3.0
South Africa	4.9	2.0	0.1	1.8

(Source: IMF World Economic Outlook)

**Performance of major economies**

**United States:** US economy grew by 3.2% (quarter-on-quarter, seasonally adjusted annualized rates (q-o-q, saar)) in Q3 of 2022 and 2.6% in Q4. Overall, growth in 2022 is estimated to be 2.1%. This was driven by various factors such as private inventory investment, consumer spending, non-residential fixed investment, government spending, and exports. The labor market improved significantly, with unemployment rates at a multi-decade low, and nominal wage growth was robust, though there was a slight slowdown recently.

**Euro area:** Real GDP grew by 1.5% (q-o-q, saar) in Q3 but stagnated in Q4 due to a decline in private consumption and investment, and challenges with high inflation, tightening financial conditions, and geopolitical tensions. Euro area growth in 2022 is projected at 3.5%.

**China:** China's GDP growth increased to 3.9% (year-on-year) in Q3 of 2022 from 0.4% in Q2, aided by policy interventions and a relaxation of COVID-19 restrictions. However, the emergence of new

COVID-19 infections and lockdowns further saw dip in growth to 2.9% (year-on-year) in Q4, resulting in an annual growth of 3.0% for 2022, which fell short of the targeted 5.5%. China's real GDP target in 2023 is approximately 5%, the lowest in more than three decades.

**United Kingdom:** The country's GDP grew 4.0% in 2022 compared to a 7.4% growth in 2021. High energy and goods prices resulted in a decline in real household incomes, leading to reduced consumer spending. However, the labour market remained strong, with low unemployment rates and substantial wage growth.

**Japan:** GDP fell by 1.1% (quarter-on-quarter, seasonally adjusted rate) in Q3:2022 and barely avoided recession with a growth of 0.1% in Q4. Weak yen and increased import costs had negative effects on consumption and businesses. Overall, Japan reported growth of 1.1% in 2022 compared to 1.7% in the previous year.

(Source: IMF, RBI, Multiple Country Economic Updates)

## Indian economic overview

For FY23, the real GDP growth rate stands at 7.2%, indicating a strong and continued recovery from the economic downturn caused by the pandemic and Ukraine war. The manufacturing, agriculture, and services sectors have played significant roles in this growth. The growth trajectory is further highlighted by the robust nominal GDP growth of 16%, which brings the average per capita income closer to INR two lacs, translating to a potentially strong average

household income of around INR ten lacs. This rise in income levels holds the potential to drive and sustain a robust consumer demand, contributing to economic growth.

India's status as the fastest growing major economy in the world has been reinforced as it outperformed the government's own early estimates. The expansion in the services sector played a significant role in fueling demand and mitigating the impact of elevated interest rates.

### Exhibit: Trends in India's GDP



Source: CSO, Internal Calculation

### Exhibit: Demand Side of the Economy

Growth, yoy(%)	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23
<b>Private consumption</b>	<b>10.8</b>	<b>4.7</b>	<b>19.8</b>	<b>8.3</b>	<b>2.2</b>	<b>2.8</b>
<b>Government consumption</b>	<b>5.8</b>	<b>11.8</b>	<b>1.8</b>	<b>-4.1</b>	<b>-0.6</b>	<b>2.3</b>
<b>Gross Capital Formation</b>	<b>5.1</b>	<b>3.0</b>	<b>20.8</b>	<b>6.5</b>	<b>5.2</b>	<b>7.8</b>
Fixed Capital	1.2	4.9	20.4	9.6	8.0	8.9
Exports	27.8	22.4	19.6	12.2	11.1	11.9
Less, Imports	19.7	6.7	33.6	23.1	10.7	4.9
<b>GDP</b>	<b>5.2</b>	<b>4.0</b>	<b>13.1</b>	<b>6.2</b>	<b>4.5</b>	<b>6.1</b>

Source: CSO, Internal Calculations

On the demand side, while government and private consumption expenditure slowed, capex growth has contributed to the positive economic momentum. India's GDP growth in Q4FY23, soaring at an impressive 6.1% YoY, has exceeded consensus forecasts, underlining the country's ongoing recovery. Private consumption further strengthened to 2.8% in Q4FY23, even though on a weak base. Growth softening in private consumption is mainly on account of inflationary pressures, moderated consumer sentiment and the fading impact of post pandemic rise in household spending. Government consumption recorded a growth rate of 2.3% in Q4

FY23, reflecting a rebound from the negative growth recorded in the preceding quarters as government spent on infrastructure development, social welfare programs, and other stimulus measures. Fixed capital formation, which represents real investment activities, experienced a notable growth rate of 8.9% in Q4FY23, indicating significant momentum in real estate, roads and other infrastructure activities. Both exports and imports displayed positive growth rates in Q4FY23. Exports grew by 11.9%, reflecting improved global demand and a recovery in international trade. Imports, on the other hand, grew at a slower rate of 4.9%, owing to a moderate rise in domestic demand.

The movement of CPI inflation in the second half of 2022-23 was a result of two factors: volatile food prices and base effects. While there were some periods of inflationary pressure due to positive price momentum, inflation was moderated by favorable base effects and lower food prices in other periods. Over 2022-23, CPI inflation averaged 6.7% with fuel inflation at 10.4% and services inflation at 6.3%. CPI inflation remained above the upper limit of the RBI's tolerance band for nine of the twelve months.

In March 2023, CPI in India fell to 5.7% from 6.4% in February 2023. This is the lowest reading of inflation seen in the last 15 months. Inflation has eased because of the high base, and aggregate price level increased by 0.2% in March 2023 when compared sequentially. The fall in headline inflation was mainly due to food and fuel prices, mainly from rural areas.

India received 6.49% more rainfall in the monsoon season (June 1-September 30) than the normal rainfall figure of 868.6. However, 188 districts (27%) of the country received deficient (20-59%) rainfall, while seven districts received large deficient rainfall (60-99%).

Net direct tax collections in 2022-23 grew by a strong 17.6% to ₹16.6 trillion from ₹14.1 trillion in 2021-22, according to tentative data released by the Central Board of Direct Taxes (CBDT). Gross collections of GST, which include SGST and full IGST, were ₹18.1 trillion, up 21.4% from 2021-22. Gross tax revenue ratio as a per cent of GDP decelerated by 40 basis points from the budgeted number to stand at 11.1 in FY23.

As of February 2023, the government used 83.4% of the funds allocated for 2022-23. Government expenditure during April 2022-February 2023 was ₹34.9 trillion, which was 11.1% higher than during April 2021-February 2022. Revenue expenditure grew by 9.2% to ₹29 trillion, and capital expenditure showed growth of 21.7% to ₹5.9 trillion.

As of March 24, 2023, outstanding non-food credit disbursed by scheduled commercial banks (SCBs) showed a cumulative YOY growth of 15.3%. In real term as well, credit growth remains strong at 9.7%, and is considerably higher than the 7% real GDP growth estimated by the government for 2022-23.

India's deficit in the current account (CAD) showed a significant reduction, decreasing from USD 30.9 billion in the Q2FY23 to USD 18.2 billion in Q3FY23. During the Q4FY23, India's current account deficit (CAD) saw a significant reduction to USD 1.3 billion, equal to 0.2% of GDP, compared to the preceding quarter's USD 16.8 billion or 2% of GDP. In Q4FY22, CAD stood at USD 13.4 billion, or 1.6% of GDP. The

sequential decline in CAD in the Q4 was primarily due to a decrease in the trade deficit, which decreased from USD 71.3 billion in Q3FY22 to USD 52.6 billion in the Q4. This reduction was accompanied by robust services exports and favorable terms of trade resulting from corrections in commodity prices. Additionally, strong service trade and resilient remittances contributed to narrowing the CAD in Q4 FY23 compared to the previous quarter. Over FY23, the current account balance recorded a deficit of 2% of GDP compared to a deficit of 1.2% in 2021-22, as the trade deficit expanded to USD 265.3 billion from USD 189.5 billion in the previous year. However, the narrowing of CAD in Q4FY23 helped in containing the CAD for the entire fiscal year.

India's coal production increased by 14.7% to 893 MMT in FY23 from 778 MT in the previous fiscal. During FY, CIL, SCCL & Captives/ Others registered a growth of 12.9%, 3.3% & 35.1% respectively.

India's per capita income was estimated to have increased 14.7% from ₹1.72 lakh in 2021-22 to ₹1.97 lakh in 2022-23 following a speedy growth in nominal GDP.

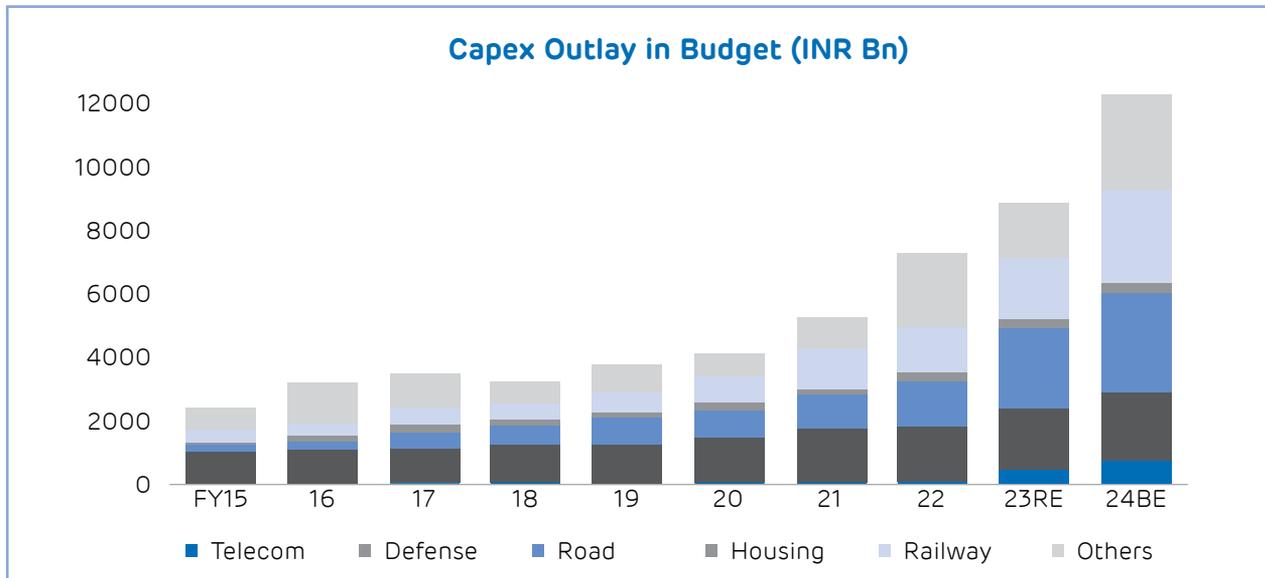
### Indian economic reforms and Budget 2022-23 provisions

Union Budget has attempted at fiscal consolidation while continuing to support economic growth through biggest ever public capex push alongside restraint on revenue spending. Assumptions for FY24 taxes appear reasonable: FY24 nominal GDP growth estimate of 10.5% is nearly in-line with consensus, though nominal GDP has potential upside.

Union Budget 2023-24 argued that 'boost to growth' from the reforms of past few years are yet to fructify even as global economic prospects for the next year have been weighed down by the combination of a unique set of challenges expected to impart a few downside risks.

Economic Survey identified four medium-term 'growth magnets' of – 1) Sound and healthy financial system, 2) Efficiency gains from digitization reforms, 3) Evolving geo-politics and global value chains diversifications.

- Capex outlay in the Union Budget 2023-24 has been enhanced by **37% from INR 7.3 lakh crore to INR 10 lakh crore**, which takes it to an all-time high of 3% of GDP.
- Effective Capital Expenditure (incl. Internal and Extra Budgetary Resources) of the Centre is budgeted at INR 13.7 lakh crore, 4.5% of GDP.

**Exhibit: Capital expenditure of Key Infrastructure Ministries**

This shift is important as **Capital spending in India has an upwards of 4.5x cumulative multiplier effect in the economy.**

**Union Budget 2023-24 Announcements in Infrastructure Sector**

<b>1</b>	<b>One hundred critical transport infrastructure projects</b> , for last and first mile connectivity for <b>ports, coal, steel, fertilizer</b> , and food grains sectors have been identified. They will be taken up on priority with investment of INR 75,000 crore, including INR 15,000 crore from private sources.
<b>2</b>	National Green Hydrogen Mission, with an outlay of INR 19,700 crores, will facilitate transition of the economy to low carbon intensity, reduce dependence on fossil fuel imports, and make the country assume technology and market leadership in this sunrise sector. Our target is to reach an <b>annual production of 6 MMT by 2030</b> .
<b>3</b>	The <b>Inter-state transmission system</b> for evacuation and grid integration of <b>13 GW renewable energy from Ladakh</b> will be constructed with investment of INR 20,700 crore including central support of INR 8,300 crore.
<b>4</b>	<b>Fifty additional airports, heliports, water aerodromes and advance landing grounds</b> will be revived for improving regional air connectivity.

**Outlook**

In the medium term, the Indian economy is expected to continue on its path of recovery following the COVID-19 pandemic. The country has already shown signs of a rebound in economic activity, with GDP growth rates increasing steadily from lows of contraction in 2020-21. The government has also implemented several reforms to improve the ease of doing business in the country and attract foreign investment.

However, there are critical priorities that the Indian economy is required to address in the medium term, including the need for continued infrastructure development to support economic growth, which

requires significant investment. Last budget allocation for capex at an all-time high of 3% of GDP (4.5% incl Internal and Extra Budgetary Resources) is a step in that direction. The government will need to maintain prudent fiscal and monetary policies to mitigate these risks and maintain macroeconomic stability.

The PLI scheme in India has been successful in promoting the development of a thriving and self-sustaining ecosystem. The scheme's focus on advanced technologies is likely to upgrade the skills of the existing labor force, which will help make the manufacturing sector globally competitive by replacing

technologically obsolete machinery. Additionally, the scheme's efforts to enhance production volumes will cater to the increasing consumer demand, as seen in the telecom and networking sector, where it will enable faster adoption of 4G and 5G products across India.

The PLI scheme's inclusion of green technologies can also allow India to pioneer green policy implementation with a reduced carbon footprint. This will create better productivity and free trade agreements, providing better market access. To support this, the government has introduced the PM Gati Shakti

plan, which provides multimodal connectivity to manufacturing zones across India, making logistics and operations efficient. Cluster parks with plug-and-play infrastructure have also been introduced to support manufacturing in different regions. Overall, the PLI scheme's success signals that it is contributing to the development of a thriving and self-sustaining ecosystem in India.

Overall, while the Indian economy is expected to continue its recovery in the medium term, there are still several challenges that will need to be addressed to ensure sustained and inclusive growth.

### India's medium term growth outlook (IMF)



Source: IMF World Economic Outlook database: April 2023

## Industry review

### Global ports sector review

International maritime trade experienced a 3.8% decline in 2020 due to the COVID-19 pandemic, but it has since bounced back in 2021 with an estimated growth of 3.2%, resulting in an overall shipment of 11 billion tons. Although this growth is slightly below pre-pandemic levels, it is a significant improvement considering the prolonged pandemic and global logistics disruptions caused by a surge in demand and supply-side capacity shortages. The growth was driven by the increased demand for containerized cargo, while gas and dry bulk shipping also saw increases. However, shipments of crude oil declined during this period.

UNCTAD's projection for maritime trade growth in 2022 is 1.4%, with an estimated annual average growth rate of 2.1% from 2023 to 2027. This rate is slower than the previous three-decade average of 3.3%. The containerized trade segment has been the fastest growing for many years, but its growth is expected to be 1.2% in 2022 and only slightly higher at 1.9% in 2023. The projected deceleration is due to not

only the lockdowns caused by the pandemic but also strong macroeconomic headwinds and a weakened Chinese economy. Additionally, consumers are spending less due to rising inflation and living costs and are to some extent switching their spending from goods to services.

As per Review of Maritime Transport 2022 by UNCTAD, the outlook for the operating environment in 2022 was challenging. Inflation and living costs rose globally, while China's zero-COVID policy caused disruptions in manufacturing, logistics, and supply chains, as it is the world's largest exporter. Furthermore, the Black Sea ports in Ukraine, which is a major food exporter, closed due to war. Industrial action and labour strikes took place in a number of world ports, including in Germany, South Africa, and the United Kingdom, affecting maritime transport.

In addition, extreme weather events, such as floods, hurricanes, and heatwaves, are taking place across Australia, Brazil, Pakistan, East Africa, Europe, and the United States, causing further difficulties for global supply chains and logistics, as well as for maritime trade. Such challenges are expected to have a negative impact on maritime trade, as disruptions in

supply chains and logistics could lead to a decrease in the volume of goods transported.

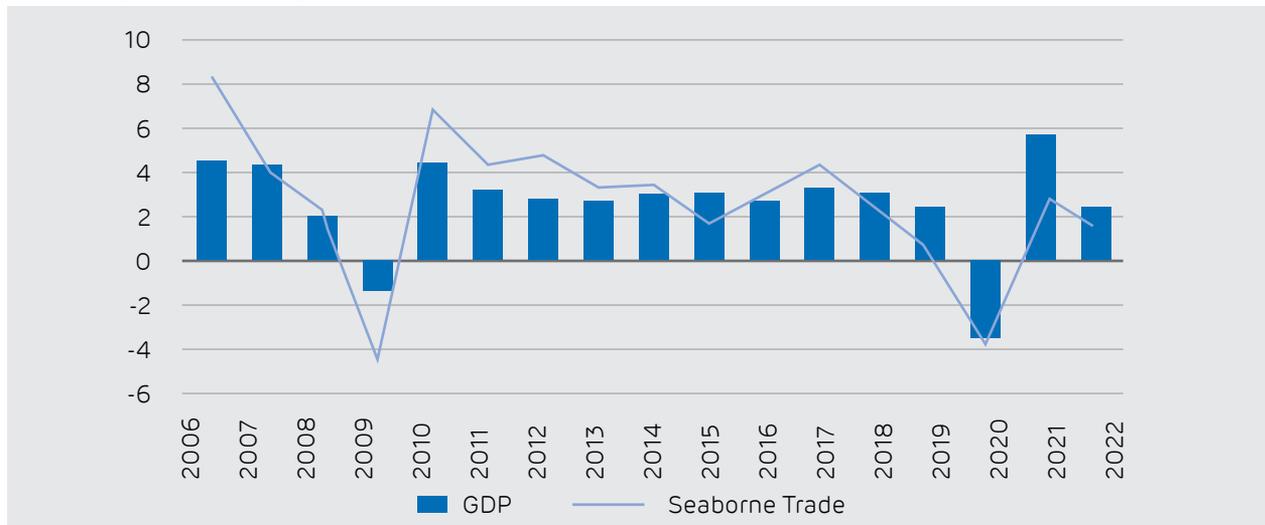
The global logistics crisis began in late 2020 and continued throughout 2021, with congested ports struggling to keep up with increased demand due to a lack of equipment, labor, and storage facilities. Container schedule delays doubled, and between Q1 2020 and Q4 2021, delays increased from two days to 12 on the Far East and North America routes. The median turnaround time for container ships also increased by 13.7% between 2020 and 2021, according to the Review of Maritime Transport 2022.

Initially, port congestion was concentrated in China, Northern Europe, and the West Coast of the United States. However, as shipping lines redirected ships

to more profitable routes in the US and China, other countries suffered even more. Developing countries in Africa, Latin America, and the Caribbean lost over 10% of their direct liner shipping connections. These countries faced challenges such as delayed vessel arrivals and container shortages.

In addition, extreme weather events, including floods, hurricanes, and heatwaves, further impacted global supply chains and logistics. The pandemic also disrupted manufacturing, logistics, and supply chains in China, the world's largest exporter, due to the country's zero-COVID policy. Overall, the current situation is expected to continue to pose challenges for global supply chains and logistics, and therefore for maritime trade.

International maritime trade, world gross domestic product and maritime trade to GDP ratio, 2006 to 2022 (percentage annual change and ratio)



Source: Review of Maritime Transport 2022, UNCTAD secretariat, based on UNCTAD stat data and Review of Maritime Transport, various issues.

### Comprehensive global recovery in maritime transport: 10 priority action

The Review of Maritime Transport 2022 report identifies 10 priority action areas to address the global logistics logjam and build more resilient and sustainable maritime supply chains.

- 1. Governments should control the pandemic and mitigate its impact on the most vulnerable** by better access to vaccines, testing, and therapies, particularly in developing countries. Governments should minimize lockdowns and restrictions that could unduly penalize recovery in vulnerable economies.
- 2. Support growth, protect the poorest, and enable trade** by promoting economic growth, strengthening macroeconomic frameworks, and reducing financial vulnerability. Governments should help the most vulnerable by promoting food security and reducing poverty, and avoid

export and import restrictions that compound disruptions.

- 3. Tackle supply side infrastructure and services constraints** by enhancing transport infrastructure, improving port performance and productivity, enabling connectivity, expanding storage and warehousing space and capabilities, minimizing labor and equipment shortages, and generally making ports and their hinterland connections more efficient and adequate to handle shifts in demand. Governments should develop and upgrade port infrastructure and hinterland connections while involving the private sector and develop regional fleets and shipping services to tackle high transport costs and other challenges faced by developing countries.
- 4. Implement transport and trade facilitation solutions at ports and borders** by speeding up processes through digitalization, particularly pre-arrival processing, electronic payments, and

e-documents. Governments should continuously simplify procedures and requirements and remove those no longer needed, choose the least trade restrictive measures, adopt smart and green trade logistics systems, and facilitate crew changes and address the seafarers crew change crisis through collective action by governments and industry.

- 5. Move to a clean-energy and low-emissions future** by establishing a predictable global regulatory framework for investing in the energy transition and decarbonization, raising awareness of the new IMO regulations, and supporting implementation and compliance. Governments should help ports in developing countries harness the energy transition and decarbonization.
- 6. Encourage digitalization and tapping the opportunities from e-commerce** by helping developing countries expand the use of digitalization and e-commerce, adopting smart maritime logistics, and providing more training, particularly for the use of new technology. Governments should upgrade trade facilitation and logistics infrastructure and services, including last-mile logistics.
- 7. Monitor freight rates and charges** by monitoring industry trends and, when necessary, taking action to ensure a level playing field that does not exclude smaller players, including stakeholders in developing countries. Governments should establish monitoring tools and performance measurements, including regional maritime indices and freight observatories, introduce mandatory controls on demurrage charges for containers at ports, and strengthen formal and informal dispute resolution mechanisms.
- 8. Ensure competitive markets** by strengthening the capacity of national regulators, competition and port authorities, especially in Small Island

Developing States (SIDS) and Least Developed Countries (LDCs), and introducing more transparent indices for freight costs, similar to those available for the main shipping routes. Competition and port authorities should work together to respond to vertical integration of carriers with measures to protect competition. Governments should also strengthen international cooperation on cross-border, anti-competitive practices in maritime transport, including on the basis of the UN Set of Competition Rules and Principles, and using the expertise of UNCTAD.

- 9. Build resilience** by establishing a long-term vision and resource mobilization strategy for resilient and sustainable maritime supply chains. Governments should help developing countries build capacities to anticipate, prepare for, respond to, and recover from significant multi-hazard threats, by promoting agile and resilient maritime transport systems. They should invest in risk management and emergency preparedness for pandemics and other disruptive events in ports and maritime supply chains, upscale capacity-building and affordable infrastructure finance for climate change adaptation and resilience-building of seaports and other critical transport infrastructure in developing countries and employ more women in ports and scale up staff training as a resilience-building strategy.
- 10. Revitalize multilateral cooperation** calls for the establishment of stronger and more effective multilateral cooperation frameworks to address various issues such as conflict and disruptions, global recovery, climate change, and low-carbon growth. This would involve working together on a global scale to find solutions and make progress towards a more sustainable future.

(Source: UNCTAD Review of Maritime Transport 2022)

## India's EXIM Trade

### Significant Growth in India's EXIM Sector Signals Accelerated Expansion

In 2022-23, India's merchandise exports achieved a remarkable milestone by reaching a record high of USD 447.46 billion, indicating a growth rate of 6.03%. This surpasses the previous year's exports of USD 422.00 billion. Among the 30 key sectors contributing to merchandise exports, 17 sectors experienced positive growth in 2022-23 compared to FY 2021-22.

(USD Bn)	2018-19	2019-20	2020-21	2021-22	2022-23
Exports	330.2	313.2	291.0	422.3	449.9
Oil	46.6	41.2	25.7	67.6	97.3
Non-Oil	283.6	271.9	265.2	354.7	352.6
Imports	514.3	474.2	393.0	613.6	713.4
Oil	141.1	130.5	82.4	162.1	209.3
Non-Oil	373.2	343.6	310.6	451.6	504.0

Overall, the exports of both oil and non-oil products showed an increasing trend, with notable growth in recent years. The export value of oil products witnessed a significant increase in 2022-23. Non-oil exports also demonstrated consistent growth. On the other hand, imports, both oil, and non-oil, increased over the years, with strong growth in 2021-22 and 2022-23.

## Unprecedented Growth in Manufacturing Exports

India has witnessed an extraordinary boom in manufacturing exports, contributing significantly to the country's overall export performance. The manufacturing sector has emerged as a key driver of export growth, fueled by various factors such as increasing competitiveness, improved production capabilities, and a conducive business environment. This surge in manufacturing exports highlights India's ability to meet global demand for diverse products, ranging from automobiles and machinery to textiles and electronics. The sector's robust growth not only enhances India's export revenue but also strengthens its position as a global manufacturing hub.

### India's Manufacturing Exports (2018-23)

(USD Bn)	2018-19	2019-20	2020-21	2021-22	2022-23
Manufactured goods	237.9	228.8	213.9	294.9	289.9
Leather & leather manufactures	5.3	4.8	3.5	4.7	5.0
Chemicals & related products	44.5	45.8	49.1	57.3	58.4
Engineering goods	79.2	74.3	72.2	106.3	100.6
Electronic goods	10.0	12.9	12.1	16.9	25.3
Textiles (excl readymade garments)	18.3	16.8	15.9	23.8	18.1
Readymade garments	16.1	15.5	12.2	16.0	16.2
Other manufactured goods	64.4	58.7	48.9	69.8	66.4

The table above presents the export values (in USD billion) of various categories of manufactured goods over a five-year period. Overall, the export values of manufactured goods experienced a recovery in recent years. Leather and leather manufactures showed an increase, while chemicals and related products demonstrated consistent growth. Engineering goods experienced a significant increase, and electronic goods saw solid growth. Textiles (excluding readymade garments) and readymade garments were also strong.

Specifically, in 2022-23, several sectors demonstrated significant growth in their export performance. Oil Meals experienced a remarkable growth of 55.13%, followed by Electronic Goods at 50.52%. Petroleum Products exhibited a growth rate of 40.1%, while Tobacco recorded a growth of 31.37%. Other sectors that witnessed positive growth include Oil Seeds (20.13%), Rice (15.22%), Cereal Preparations & Miscellaneous Processed Items (14.61%), Coffee (12.29%), Fruits & Vegetables (11.19%), Other Cereals (9.74%), Tea (8.85%), Leather & Leather Products (8.47%), Ceramic Products & Glassware (7.83%), Marine Products (3.93%), Drugs & Pharmaceuticals (3.25%), Organic & Inorganic Chemicals (3.23%), and RMG of all Textiles (1.1%).

The focus on manufacturing-led exports is crucial for India, as it allows for greater participation of the less-skilled workforce in the labor force, providing them with opportunities to benefit from economic activities. The favorable factors of an attractive cost of capital, a low-tax regime, and government initiatives to enhance business conditions are acting as strong tailwinds, driving the export rally in the Indian economy. In recent years, the manufacturing sector in India has been striving to enhance the complexity and sophistication of its manufactured products.

### PLI scheme and Growth Ecosystem

Indian government implemented the production-linked incentive (PLI) scheme in 14 key manufacturing sectors, allocating ₹1.97 lakh crore in November 2020. The scheme aims to encourage investment, increase production volumes, boost exports with domestic value addition, and generate employment. The incentive rates follow a tapering format, motivating industries to unlock their potential and become self-sustaining even after the incentive regime ends. The PLI scheme has shown success in sectors such as electronics, pharmaceuticals, food products, telecom, and drones, attracting significant investments and creating jobs. In electronics manufacturing, 97% of mobile phones sold in India are now made domestically, while pharmaceuticals have developed 35 key chemical inputs domestically. Other sectors, such as food products, telecom, and drones, have also seen increased investments and production. The scheme's focus on advanced technologies has enhanced competitiveness, and incentives for green technologies align with sustainability goals. Initiatives for logistical connectivity and inclusive approaches empower industries and artisans. Overall, the PLI scheme has bolstered domestic production, reduced import dependence, created jobs, and positioned India as a resilient player in global value chains.

### Foreign Trade Policy 2023 Paves the Way for Exponential Export Growth

India has recently introduced a new foreign trade policy, known as the Foreign Trade Policy (FTP) 2023, which aims to boost rupee trade, enhance outbound shipments to USD 2 trillion by 2030, and foster e-commerce exports in the face of global uncertainties. Unlike previous 5-year FTPs, this policy is designed to be "dynamic and responsive," without a fixed end date, and will be updated based on the evolving global scenario.

### Key Features of Foreign Trade Policy 2023:

- Trade facilitation through digitalization and faster online approvals
- Reduction of application fees for MSME exporters
- Revamping the e-Certificate of Origin (COO) process
- Paperless filing of export obligation discharge applications
- Focus on grassroots exports and development of district-specific action plans
- Promotion of merchanting trade to establish India as an intermediate trading hub
- Emphasis on e-commerce and the creation of national e-commerce export hubs
- Invoicing, payment, and settlement of exports and imports in Indian Rupee (INR)
- Potential acceptance of INR as a global currency for trade

The FTP 2023 adopts a shift from an incentive-based regime to a remission-based one, with a focus on encouraging collaboration among exporters, states, districts, and Indian Missions. It seeks to reduce transaction costs and facilitate the development of additional export hubs across the country. The flexible nature of this policy allows it to adapt to emerging needs and challenges over time, ensuring its relevance and effectiveness.

The FTP 2023 focuses on effective trade facilitation to support Indian exporters in leveraging existing and upcoming free trade agreements (FTAs). The emphasis is on digitalizing cross-border processes, logistics, and transportation. However, it highlights the need for alignment between digitalization efforts at the border and behind the border to avoid discrepancies. The FTP promotes district exports and intermediary merchanting facilities while acknowledging the importance of e-commerce and on-border trade facilitation. Settlements in Indian Rupees (INR) are being explored, and the FTP recognizes the impressive growth of services exports. However, it falls short in providing specific measures to enhance services exports, despite their significant contribution to overall exports.

### India Aims for Trade Expansion: Growing List of FTAs in Focus

India has been actively engaged in discussions and negotiations for free trade agreements (FTAs) with various partners, both on a bilateral and regional level, in recent past. The primary objective of these agreements is to stimulate the growth of export-oriented domestic manufacturing in India. Recently, the stakes have been raised even higher, as India has

set ambitious goals for the next 25 years. India aims to achieve a remarkable milestone of USD 2 trillion in exports of goods and services by the year 2030. Furthermore, India has set its sights on becoming a USD 30 trillion economy by 2047, with a significant 25 percent share in global exports. As a result, securing early harvest deals and forging free trade pacts have become crucial priorities for India, despite traditionally adopting a more cautious approach to international trade.

At present, there is an expanding list of countries and regional blocs that are engaged in negotiations for trade agreements with India. These include the United Kingdom, Canada, the Gulf Cooperation Council (GCC), Bangladesh, Israel, the European Union, and the Southern African Customs Union. Notably, India has already concluded trade deals with the United Arab Emirates (UAE) and Australia, demonstrating its commitment to fostering mutually beneficial trade relationships.

### Indian ports sector review

EXIM trade between various nations drives economic growth. Ports are the entry points for EXIM trade and play a vital part in India's international trade. According to the Ministry of Shipping, around 95% of the nation's trade by volume and 70% by value are transported through maritime transport. In line with the fragile growth in EXIM trade, India's port volumes have not been strong. In spite of the headwind growth potential of cargo volumes, Indian ports reported extraordinary growth.

Cargo traffic at India's 12 major ports during FY23 showed a growth of 8.8% to 783.5 MMT from 720.3 MMT cargo throughput in FY22. EXIM cargo handled at Major Ports increased by 9.1% from 550.0 MMT during FY22 to 599.9 MMT in FY23. The Coastal Cargo handled at Major port also increased by 7.8% from 170.3 MMT during FY22 to 183.5 MMT handled during FY23.

Cargo traffic at Non-Major Ports during FY23 increased by 8.5% to 649.9 MMT from 599.1 MMT handled in FY22. EXIM cargo traffic handled at Non-Major Ports in FY23 increased by 4.3% to 530.9 MMT from 509.1 MMT during FY22. The coastal cargo traffic handled at Non-Major Ports during FY23 increased by 32.1% to 119.0 MMT from 90.1 MMT handled during FY22.

### Key ports performance

Paradip Port recorded highest growth of 16.6% in traffic handled at Major Ports during FY23 and was followed by SMP Haldia (13.4%), Kamarajar (12.6%), VOC (11.1%), JNPA (10.4%), SMP Kolkata (9.6%), Deendayal Port (7.7%), Visakhapatnam (6.8%), Mumbai (6.2%), New Mangalore (5.4%), Cochin (2.0%) and Chennai (0.8%). The only Major Ports that recorded negative growth in traffic was Mormugao (6.2%) in FY23.

Broadly at the commodity level, cargo mix for major ports were as follow: container led the overall mix a share of 21.7% followed by POL-Crude (20.6%), Thermal coal (13.6%), Others commodities (10.0%), POL Products (7.3%), Iron ore/Pellets (5.9%), Other coal (5.4%), Coking coal (4.9%), LPG/LNG (2.0%), Edible oil (1.5%), Iron & Steel (1.2%), FRM Dry(1.1%), Fertilizer & Other Ores (1.0%) each, FRM liquid (0.9%), Food grains excluding Pulses (0.8%), Cement & Sugar (0.4%) each and Project Cargo (0.1%) during FY23.

During FY23, EXIM Cargo in Major Ports was led by Deendayal Port: 123.9 MMT [share of 20.6%] followed by JNPA (13.2%), Paradip (12.9%), Visakhapatnam (9.1%), Chennai (7.2%), SMP Haldia (7.2%), Mumbai (6.8%), NMPA (5.3%), Kamarajar (4.3%), VOC (4.2%), Cochin (3.9%), SMP Kolkata (2.7%) and Mormugao (2.6%). For coastal cargo, Paradip Port handled the maximum cargo of 58.1 MMT [share of 31.6%] followed by Mumbai Port (12.3%), Visakhapatnam (10.3%), Kamarajar (9.6%), Deendayal (7.5%), VOC (6.9%), Cochin (6.6%), NMPA (5.2%), Chennai (3.2%), SMP Haldia (2.9%), JNPA (2.7%), Mormugao (0.9%) and SMP Kolkata (0.2%).

For Non-Major Ports amongst the State Maritime/ State Directorate, Gujarat Maritime Board led with 416.3 MMT [share of 64.1%] followed by Andhra

Pradesh Maritime Board (15.6%), Maharashtra Maritime Board (10.6%), Directorate of Ports, Odisha (6.0%), Tamil Nadu Maritime Board (1.7%), Directorate of Ports, Puducherry (1.6%) and Others (0.5%) in FY23.

In FY23 for Non-Major Ports, following growth was seen in key commodities: Iron Ore (27.0%), Thermal Coal (22.1%), Foodgrains excluding Pulses (17.7%), FRM Liquid (10.5%), Edible Oil (9.9%), Coking Coal (6.9%), Fertilizer (6.4%), Cement (4.4%), Containers (4.1%), Other Commodities (1.2%) and POL Crude (1.1%), Iron and Steel (-37.1%), LPG or LNG (-8.8%), and POL Products (-0.1%).

Amongst the Non-Major Ports, Gujarat Maritime Board led the handling of EXIM Cargo of 370 MMT with a share of 69.7% followed by Andhra Pradesh Maritime Board (14.8%), Directorate of Ports, Odisha (6.7%), Maharashtra Maritime Board (4.7%), Tamil Nadu Maritime Board (2.0%) in FY23. In coastal cargo, Gujarat Maritime Board again led with 46.4 MMT [share of 39.0%] followed by Maharashtra Maritime Board (36.9%), Andhra Pradesh Maritime Board (19.3%), Directorate of Ports, Odisha (2.6%), A&N Islands (1.4%), Tamil Nadu Maritime Board (0.5%), and Others (0.3%).

(Source: Transport Research Wing of Ministry of Ports, Shipping and Waterways)

### Trends in All India Cargo Handling (2017-23)

All India Cargo		FY17	FY18	FY19	FY20	FY21	FY22	FY23	CAGR
Major Ports	EXIM	514.1	524.7	532.8	537.8	524.1	550.0	600.0	2.6%
	Coastal	134.4	154.7	166.4	166.7	147.7	170.3	183.5	5.3%
	<b>Total</b>	<b>648.5</b>	<b>679.5</b>	<b>699.2</b>	<b>704.6</b>	<b>671.8</b>	<b>720.3</b>	<b>783.5</b>	<b>3.2%</b>
Non-Major Ports	EXIM	418.5	450.8	486.3	522.6	500.0	509.0	530.9	4.0%
	Coastal	66.7	78.3	96.3	90.6	75.0	90.1	119.0	10.1%
	<b>Total</b>	<b>485.2</b>	<b>529.1</b>	<b>582.6</b>	<b>613.2</b>	<b>575.0</b>	<b>599.1</b>	<b>649.9</b>	<b>5.0%</b>
All India Ports	EXIM	932.6	975.5	1019.1	1060.4	1023.7	1058.6	1130.9	3.3%
	Coastal	201.1	233.0	262.7	257.3	222.5	260.3	302.5	7.0%
	<b>Total</b>	<b>1134</b>	<b>1208.6</b>	<b>1281.8</b>	<b>1317.7</b>	<b>1246.2</b>	<b>1319.4</b>	<b>1433.4</b>	<b>4.0%</b>

At all India levels, thermal and other coal recorded highest growth in cargo handling at 30.5% followed by Project cargo at 17.1%, coking coal at 9.9%, food grains at 9.6%, Other cargos at 9.4%, Crude at 7.4%, edible oil at 7.1%, iron ore at 7.0% and fertilizers (incl FRM) at 4.4%.

### Trends in All India Commodity-wise Cargo Handling (2021-23)

Commodity	Major Ports			Non-Major Ports			All India Ports		
	FY21	FY22	FY23	FY21	FY22	FY23	FY21	FY22	FY23
POL Crude	136.6	144.6	161.1	84.3	90.3	91.3	220.9	234.9	252.4
POL Products	54.1	61.0	57.4	67.2	72.6	72.5	121.2	133.6	129.9
LPG or LNG	14.7	15.7	15.8	25.2	22.0	20.1	39.8	37.7	35.9
Edible Oil	10.0	11.2	11.9	3.4	3.2	3.5	13.4	14.4	15.4
Iron Ore Pellets/ Fine	71.4	51.3	46.5	41.6	41.8	53.1	113.0	93.1	99.6
Other Minerals	5.3	8.1	7.7	2.5	1.8	1.5	7.8	9.9	9.2

Commodity	Major Ports			Non-Major Ports			All India Ports		
	FY21	FY22	FY23	FY21	FY22	FY23	FY21	FY22	FY23
Thermal and Other Coal	94.6	114.2	148.8	110.9	107.3	140.1	205.5	221.5	288.9
Coking Coal	37.3	34.1	38.6	33.8	36.8	39.4	71.0	71.0	78.0
Fertilizers and FRM	24.1	22.2	22.9	15.1	14.9	15.8	39.2	37.1	38.7
Food Grains	2.7	7.2	7.3	3.2	4.8	5.9	5.9	12.0	13.2
Iron and Steel	11.0	11.4	9.4	6.6	7.5	4.7	17.6	18.9	14.1
Project Cargo	0.6	0.8	0.9	0.2	0.2	0.3	0.8	1.0	1.2
Container (Tonnes)	143.7	166.9	170.3	105.0	112.6	117.1	248.7	279.4	287.4
Container (mTEUs*)	9.6	11.2	11.4	8.0	8.3	8.7	17.6	19.5	20.08
Others	65.9	71.6	85.0	76.1	83.4	84.5	142.0	154.9	169.5
<b>Total</b>	<b>671.8</b>	<b>720.3</b>	<b>783.5</b>	<b>575.0</b>	<b>599.1</b>	<b>649.9</b>	<b>1246.9</b>	<b>1319.4</b>	<b>1433.4</b>

**Mechanization and efficiency:** The ports industry is witnessing rapid transformation due to increased priority in efficiency and mechanization. Along with non-major ports, major ports are also concentrating on efficiency improvements. The Sagarmala program is a prime initiative in this direction for major ports.

**Capacity utilization at Indian Major Ports:** Capacity utilization at key ports is witnessing a downward trajectory over a period. In FY 2022-23, capacity at major ports stood at around 1617 MMTPA.

#### Last 10 Years Capacity Utilization at Indian Major Ports, (in %)

Year	Major port Capacity in MMT	Major port Traffic Handled in MMT	Major Port Capacity Utilization in %
FY 13	745	545.7	73%
FY 14	801	555.5	69%
FY 15	872	581.3	67%
FY 16	966	606.5	63%
FY 17	1066	648.4	61%
FY 18	1451	679.4	47%
FY 19	1514	699.1	46%
FY 20	1535	704.9	46%
FY 21	1561	672.7	43%
FY 22	1598	720	45%
FY 23	1617	783.5	48%

Source: Ports in India 2023 by India infrastructure report, Ministry of Shipping FY 2022-23 annual report, APSEZ Internal Estimate

**Average output per ship berth day in Tonnes at major ports:** Technological advancements and increased efficiency at key ports under the Sagarmala initiative (project UNNATI), enabled key ports increase efficiency in berth productivity. On an average, output per ship berth day witnessed substantial growth from 12,458 Tonnes in FY 2014-15 to 17,239 Tonnes in FY 2022-23.

#### Recent developments of importance for the Indian ports sector

- Pandemic and the China Plus One strategy followed by an opportunity for the Indian ports sector as companies shift their plants from China to other less-developed countries generating a new wave of industrialization.
- The extension of the manufacturing hub associated with global supply chains could enhance demand for the ports sector industry for cargo commodities like iron ore and fertilizers. Iron ore and finished fertilizers shipments have seen a growing trend, ensuring that major ports tide over decreasing volumes in coal and miscellaneous cargo.
- The Union Government permitted Foreign Direct Investment (FDI) of up to 100% under the automatic route for port and harbor construction and maintenance projects.
- New business opportunities are being generated in the natural gas segment and managing container traffic at the domestic level.

- Better rural connectivity, port advancements, moderation of logistics costs and lower turnaround time are anticipated to enhance revenues.
- Increasing demand for port infrastructure owing to rising import (crude/coal) and containerization could make public ports inadequate, an opportunity for private ports.
- Sharp rise in coastal movement owing to power demand on shore-based power plants and movement of domestic coal from Paradip apart from rise in coastal POL movements.
- Operation and maintenance services such as pilotage, dredging, harboring and provision of marine assessments such as barges and dredgers are anticipated to grow. Growing investment and cargo traffic marks a healthy prospect for port support services.

### Logistics industry Review

The logistics sector in India is highly fragmented, with unorganized players dominating the market. Organized players make up only around 10% of the total logistics market share. Given the large customer base, substantial investments are required to develop the sector. To accelerate approvals, streamline coordination with multiple agencies, and promote a tech-driven approach, a clear and comprehensive logistics policy was needed to strengthen the sector, and NLP 2022 goes a long way in accomplishing the same.

The sector employs around 22 million people and is expected to create another 1.2 Mn jobs by 2025. India currently spends around 13-14% of its GDP on logistics costs. Being in the early stages of automation in the sector, logistics companies in India are a bit behind in adopting global levels of transparency and real time data. Road holds the highest modal share (~60%) while rail and water occupy a much smaller share. But recent initiatives and investments from the government as well as the private sector have inspired growth in the industry.

### Key Trends in the Industry

- Digitization – Low penetration of technology in the sector give a lot of scope for it to be implemented across spheres. Many players are deploying new technologies such as Big Data and AI for efficiencies and better asset deployment. The government has also shifted its focus toward digitalization of the sector as can be seen in the development of ULIP. Digitalization of the sector has the potential to make great inroads towards making logistics an efficient ecosystem in our country.

- Sustainable freight transportation - Logistics sector is expected to contribute the highest amount of carbon emissions by 2050. Thus, players are actively looking for sustainable means in terms of modes and transport systems as well as digitization for reduction of emissions and ecological impact.
- Effective Last mile deliveries – As the number of door-to-door deliveries has increased, especially on the retail front, new technical solutions are being explored for quick and efficient deliveries.
- Focus on workforce – NLP has put back the focus on developing talent and boosting employment for the sector which traditionally relies on a lot on un-trained workforce. With renewed focus of training infrastructure, the sector will likely gain right talent and could see new models embracing the landscape to address the issues.
- Resilience through supply chain diversification – Post the pandemic and the recent geopolitical events, industries and players have constantly made efforts to diversify their supply chains, which includes suppliers, consumers as well as the countries of origins. As per the EY Industrial Supply Chain Survey, 77% of respondents stated that they are increasing the number of suppliers and 63% are expanding their suppliers to more countries.

### Future Prospects

Logistics sector has been growing with healthy 10-12% growth rate YoY and is expected to reach \$380bn by FY25. The growth is being driven by a number of factors –

- Strong demand from different industries (led by policies such as Make in India, PLI etc.) and need for efficiency in the new demand
- Rising preferences for integrated supply chain services and efficiency solutions such as inventory optimization and analytics
- Increasing demand for e-commerce and online shopping leading to new solutions for the optimizing operations
- Government policies such as NLP, PM Gati Shakti NMP for improving infrastructure and reducing inefficiencies in the processes.
- Ever evolving technologies and organized private participation in the industry fueling disruptive solutions and automated processes.

And in line with the nation's progress, we believe that logistics in India will become a growth engine for other sectors and we are fully committed to make that vision a reality.

## Government initiatives

To meet the ever-increasing trade requirements of the country, Indian Government has taken multiple initiatives to improve infrastructure development linked to ports & overall logistics segment. While focusing on global standard ports & related efficient infrastructure development, Maritime India Vision (MIV) 2030 was launched in November 2020. MIV 2030, estimates investments of ₹1,00,000–1,25,000 crore for capacity augmentation and development of world-class infrastructure at Indian Ports. The policy covers more than 150 initiatives across the ports, shipping and waterway modes to transform the country's logistical effectiveness.

Government of India has identified that higher logistics cost in India when compared to countries like China, US & European countries act as one of the impediments in India's exports. Hence, Indian Government undertook various initiatives to improve infrastructure development linked to ports, vital to fulfill growing trade requirements, some of them are enumerated below.

**a. National Logistic Policy, 2022:** Logistics efficiency is a function of infrastructure, services (digital systems / processes /regulatory framework) and human resource. PM GatiShakti National Master Plan (NMP) for multimodal connectivity infrastructure to various economic zones, has been launched. While development of integrated infrastructure and network planning is envisaged to be addressed through the PM GatiShakti National Master Plan, for efficiency in services (processes, digital systems, regulatory framework) and human resource, the National Logistics Policy is the logical next step, which was launched in Sept. 2022. This policy provides a comprehensive agenda for development of entire logistics ecosystem in India. Post announcement of the National Logistics Policy, multiple states have brought forward their own State Logistics Policies in line with the NLP with the rest in draft stage currently.

**Policy Vision:** "To develop a technologically enabled, integrated, cost-efficient, resilient, sustainable and trusted logistics ecosystem in the country for accelerated and inclusive growth".

**Comprehensive Logistics Action Plan (CLAP):** The Policy will be implemented through a Comprehensive Logistics Action Plan (CLAP). The interventions proposed under the CLAP are divided into eight key action areas

- I. Integrated Digital Logistics Systems: Develop a system of unified logistics interface to link multiple data sources and develop cross sectoral use cases for logistics stakeholders.
- II. Standardization of physical assets & benchmarking service quality standards:

Enhance interoperability, minimize handling risks, undertake process optimization, and improve ease of doing business, through standardization of physical assets and benchmarking of service quality standards in logistics.

- III. Logistics Human Resources Development and Capacity Building: Develop an overarching logistics human resource strategy and under its guiding principles, line ministries to develop action plans to address skill development related and internal capacity building challenges in the respective sector.
- IV. State Engagement: Provide support for development of state/city level logistics plans, set up institutional framework to take action at city/state level, measure and monitor action by states and rank them.
- V. EXIM (Export-Import) Logistics: Addressing infrastructure and procedural gaps in India's EXIM connectivity and create efficient and reliable logistics network, with transparent and streamlined cross-border trade facilitation, for improved trade competitiveness and greater integration of India with regional and global value chains.
- VI. Service Improvement framework: Improving regulatory interface to enable seamlessness between sectors, promote standardization, formalization, interoperability; eliminate fragmentation in documentation, formats, processes and liability regimes; reduce gaps in regulatory architecture.
- VII. Sectoral Plan for Efficient Logistics: Sectoral Plans for Efficient Logistics (SPEL) aligned with PM GatiShakti, will be developed for each sector with underlying philosophies of inter-operability, resiliency, sustainability, and innovation. Specifically, SPEL would (i) address logistics issues pertaining to infrastructure, processes, digital improvements, policies and regulatory reforms, and capacity building for better workforce, and ii) prioritize cross-sectoral cooperation to complement and not duplicate efforts and focus on optimization of modal mix.
- VIII. Facilitation of Development of Logistics Parks: Logistics parks (eg. Multi Modal Logistics Parks, Air Freight Stations, Inland Container Depots, Container Freight Stations, cargo terminals, etc.) are hubs for intermediary activities (storage, handling, value addition, inter-modal transfers, etc.) in the supply chain connected by a transportation network. It is envisaged to take following steps to facilitate development of logistics parks:

- Draft framework guidelines to facilitate development of Logistics Parks in the country with focus on encouraging private investment.
- Create a network of logistics parks by mapping them on the PM GatiShakti NMP, for enhanced visibility, improved logistics efficiency, optimum utilization and connectivity.

#### Key Targets of National Logistic Policy 2022

- Logistics costs have to be cut by half to be near global benchmarks by 2030 by reducing the cost of logistics from 14-18% of GDP to global best practices of 8%. Countries like the US, South Korea, Singapore, and certain European nations have such a low logistics cost-to-GDP ratio.
- Being the 5<sup>th</sup> largest economy in the world, India aims to be among the top 25 in the LPI (Logistics Performance Index) by 2030. It has to match the pace of South Korea (In 2018, India ranked 44<sup>th</sup> while it ranked 38<sup>th</sup> in 2023 LPI).
- Creating data-driven Decision Support Systems (DSS) to enable an efficient logistics ecosystem.
- The policy's target is to ensure that logistical issues are minimized, exports grow manifold, and small industries and the people working in them benefit significantly.

#### b. Model Concession Agreements (MCA): Reduce arbitration and litigation in the sector

- The MoPSW launched a new model concession agreement (MCA) in November 2021 to reduce arbitration and litigation in the sector. A provision has been made that gives concessionaires the flexibility to fix their tariffs based on market conditions, which will create a level playing field, allowing private terminals at major ports to compete with private ports for cargo.

#### c. "Policy for Management of Railway Land" issued on 04.10.2022

- To enable integrated development of infrastructure aligned with PM Gati Shakti framework and to attract more cargo to rail, the extant policies for leasing, licensing and Right of Way (ROW) of railway land have been simplified. The detailed guidelines on 'Policy for Management of Railway Land' superseding all previous policies/guidelines/instructions about lease / license/Way Leave (Right of Way). The revised policy on railway land has lowered the annual rental on leased land and extended the period of leases. As a result, more investment is expected in infrastructure facilities, including cargo terminals and public utilities. According to the changes, which were approved by the Union cabinet, the railway land lease fee has been cut to 1.5% of the market value of land per acre from the existing 6%. The lease period has been extended

from the present five years to 35 years. The policy allows long-term leasing of railway land for cargo-related activities. It will also provide land at a nominal fee of ₹1 per square meter per year for setting up public services such as schools, health services under PPP mode. "Existing users of land will have the option to switch to the new regime after a competitive and transparent bidding process.

#### d. Age restriction imposed on the ships that can be acquired or operated to India

The government has decided to imposing age restrictions on the ships that can be acquired or operated to India. Ships over age of 25 will be withdrawn from service, which includes oil tanker, bulker barges, bulk carriers, general cargo ships except for container vessels, mini bulk carrier, roll-on/roll-off, anchor handling tugs, and some classes of offshore vessels. Most other classes, including container vessels, gas carriers, and tugs, have to be withdrawn by age 30, besides, dredgers will have lifespan of up to 40 years.

#### e. PM Gati-Shakti- National Master Plan

Prime Minister launched PM Gati-Shakti National Master Plan (NMP) for multimodal connectivity on October 13, 2021. It is a giant stride in India's ambitious goal of achieving US \$5 trillion economy. PM Gati-Shakti focuses on India's citizens, industries,

manufacturers, farmers, and villages among others. The PM Gati-Shakti NMP is aimed at breaking departmental silos and bringing in more holistic and integrated planning and execution of projects with a view to addressing the issues of multi-modal connectivity and last-mile connectivity. PM Gati-Shakti & National Logistics Policy are a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely

- Roads
- Railways
- Airports
- Ports
- Mass Transport
- Waterways
- Logistics Infrastructure

#### PM Gati Shakti is based on six pillars:

Comprehensiveness: It will include all the existing and planned initiatives of various Ministries and Departments with one centralized portal. Each and every Department will now have visibility of each other's activities providing critical data while planning & execution of projects in a comprehensive manner.

**Prioritization:** Through this, different Departments will be able to prioritize their projects through cross-sectoral interactions.

**Optimization:** The National Master Plan will assist different ministries in planning for projects after identification of critical gaps. For the transportation of the goods from one place to another, the plan will help in selecting the most optimum route in terms of time and cost.

**Synchronization:** Individual Ministries and Departments often work in silos. There is lack of coordination in planning and implementation of the project resulting in delays. PM Gati-Shakti will help in synchronizing the activities of each department, as well as of different layers of governance, in a holistic manner by ensuring coordination of work between them.

**Analytical:** The plan will provide the entire data at one place with GIS based spatial planning and analytical tools having 200+ layers, enabling better visibility to the executing agency.

**Dynamic:** All Ministries and Departments will now be able to visualize, review and monitor the progress of cross-sectoral projects, through the GIS platform, as the satellite imagery will give on-ground progress periodically and progress of the projects will be updated on a regular basis on the portal. It will help in identifying the vital interventions for enhancing and updating the master plan.

Under the PM Gati Shakti-National Master Plan for Multi-Modal Connectivity and the Bharatmala Pariyojana project, the government intends to create 35 MMLPs (Multi-Modal Logistics Parks) to improve logistics facilities in the country and construct transportation hubs in the nation for seamless connectivity via road, rail, and water. This involves a tripartite agreement between NHAI, IWAI and RVNL. Of the 35, 4 MMLPs were brought out for PPP tenders in FY23 while 6-7 more are lined up to be put up for bidding in FY24. We have been heavily involved in these projects in evaluating these proposals and intend to keep track of all these proposals. ALL has also been able to notify most of its facilities as Gati Shakti Cargo Terminals (GCTs) and extend the benefits of the policy to the industry

**f. Sagarmala Pariyojana:** Sagarmala Pariyojana, launched in 2015, focuses on enhancing the performance of the logistics sector in India by setting up new mega ports, modernising existing ports, and developing 14 Coastal Employment Zones (CEZs) and Coastal Employment Units. More than 605 projects having a total cost of ₹ 8.8 lakh crore have been identified under Sagarmala. Of these, 89 projects worth ₹ 0.14 lakh crore are completed and 443 projects worth ₹ 4.32 lakh crore are under various stages of implementation and development. The

project aims to promote port-led development with a view to reduce logistics cost for EXIM and domestic trade.

Sagarmala Update: 218 projects worth ₹2.1 trillion by 2024

Sagarmala project is planned to achieve port modernization & new port development, port connectivity enhancement, port-led industrialization and coastal community development. On the seventh anniversary of Sagarmala project, government has underlined that it has identified a total of 802 projects (123 under PPP framework) under the program at an estimated cost of Rs 5.48 trillion. Center has already executed 194 projects worth ₹99,000 crore under the project till now of which 29 were under PPP framework. Over the rest of the tenure of current government, center aims to complete 218 on-going projects worth 2.1 trillion of which 31 are under PPP framework. Projects under the PPP model are to be executed at an estimated cost of 50,000 crores.

Stage	Amount (₹ crore)	Number of Projects	Number of PPP
Completed	99,000	194	29
In Progress	212,801	218	31
Sanctioned	104,947	157	13
Detailed Project Report	56,429	138	25
Under Concept	76,004	95	25
Total	549,181	802	123

By 2024, more than half of Sagarmala projects in numbers and in value would have been compelled. Over the next stage of Sagarmala, Central government is targeting to build 14 new ports worth Rs 1.25 trillion.

**g. National Monetization Pipeline & Opportunities to private sector:** Union Minister for Finance and Corporate Affairs, launched the asset monetization pipeline of Central ministries and public sector entities. 'National Monetization Pipeline, NITI Aayog has developed the pipeline, in consultation with infrastructure line ministries, based on the mandate for 'Asset Monetization' under Union Budget 2021-22. NMP estimates aggregate monetization potential of Rs 6.0 lakh crores through core assets of the Central Government, over a four-year period, from FY 2022 to FY 2025. This asset monetization, based on the philosophy of Creation through Monetization, is aimed at tapping private sector investment for new infrastructure creation.

NMP in Ports: As per NMP scheme, the total estimated capex towards 31 identified projects considered for monetization is estimated at Rs 14,483 crore for FY 2022-25. Out of 31 projects, 13 projects with expected capex of ₹6,924 crore was envisaged to be tendered out in FY 2022, followed by another 10

projects with expected capex of ₹4,680 crores are envisaged to be tendered out in FY23.

FY23 to FY25 – A total of 18 projects adding up to Rs 7,168 crore are expected to be awarded during the period. The phasing represents the year in which a certain project is envisaged to be tendered out; the actual capex investment is likely to happen in phases during the envisaged concession period.

In FY 24, the Centre has set a target of Rs 67 billion from asset monetization in the ports and shipping sector. Key projects include Rs 20 billion berths at the Kandla port, ₹9.8 billion container terminals at Haldia complex and ₹3.6 billion dry dock in Vadinar, Gujarat. So far, the government has managed to raise around ₹50 billion from asset monetization in FY 23. Meanwhile, the government is also looking to iron out issues in the land leasing policy of ports to better utilize vacant land with Indian ports. As per the pipeline, 31 projects in nine major ports are expected to be offered for private sector participation.

**Digitization of ports:** Significant efforts have been made to digitize major EXIM processes at key ports. The government has introduced digitization for processes such as Electronic Invoice (e-Invoice), Electronic Payment (e-Payment), and Electronic Delivery Order (e-DO) for the physical release of cargo by custodians. The generation of electronic Bill of Lading (e-BL) has also been implemented, along with the digitization of the Letter of Credit (LC) process. The government is working towards achieving complete integration between PCS 1x, a cloud-based new generation technology, and Indian Customs EDI Gateway (ICEGATE) for seamless data exchange. Additionally, RFID solutions have been implemented at all key ports to facilitate uninterrupted movement of traffic across port gates and reduce the need for extensive documentation checks. The Ministry of Ports, Shipping and Waterways has set up an Enterprise Business System (EBS) at five major ports in India (Mumbai, Chennai, Deendayal, Paradip, and Kolkata, including Haldia Port), with an estimated cost of ₹320 crore. The EBS aims to provide a digital port ecosystem that adopts leading international practices while remaining aligned with local needs. As part of the EBS implementation, a total of 2,474

processes were standardized, resulting in a final count of 162 redesigned processes.

**Dedicated freight corridor:** The Dedicated Freight Corridor (DFC) project, being executed by the Ministry of Railways, aims to plan, develop, mobilize financial resources, construct, maintain, and operate rail corridors dedicated to freight transportation across India. The Dedicated Freight Corridor Corporation of India Ltd. is responsible for this project, and its primary mission includes:

- The Dedicated Freight Corridor (DFC) project aims to construct corridors equipped with relevant technology that would enable Indian Railways to recapture their market share of freight transport by developing additional capacity and ensuring effective, dependable, secured, and economical options for mobility to their customers.
- Multimodal logistic parks are being constructed along the Dedicated Freight Corridor to provide customers with a complete transport solution.
- Promoting the use of railways as the most eco-friendly mode of transportation and supporting the government's initiatives towards ecological sustainability.

The DFC project comprises of two corridors: the Eastern Corridor and the Western Corridor. These corridors span a total of 3,360 kilometers with the Eastern DFC stretching from Ludhiana in Punjab to Dankuni in West Bengal and the Western DFC from Jawaharlal Nehru Port in Mumbai to Dadri in Uttar Pradesh. The impact of the DFCs is already visible in the sections where operations have started as can be seen in reduced transit times of freight times and increased running speeds. APSEZ has considerable focus on the freight corridors and running double stack trains on the DFC on a daily basis. We have 2 terminals (ICD Patli and ICD Tumb) notified for direct connectivity to the WDFC and more terminals are planned at strategic locations on the DFC.

More corridors are being proposed namely – East Coast Corridor, East-West corridor and the North South Corridor seeing the success of the WDFC and EDFC. These corridors are expected to enhance the connectivity between various clusters and thus improve logistics efficiency for the industry

## Logistics Ease Across Different States 2022 (LEADS)

At the National level, the Department for Promotion of Industry and Internal Trade (DPIIT) has been conducting LEADS (Logistics Ease Across Different States) study since 2018 which helps to identify and resolve logistics inefficiencies and improve trade facilitation across supply chains. The survey assesses views of the users and stakeholders across the value chain of the industry to understand the pillars as well as the hiccups in the logistics ecosystem of the country

LEADS 2022 has adopted a classification-based grading, unlike the ranking system used till now, and states have been now classified under four categories viz coastal states, hinterland/landlocked states, north-eastern states, and Union Territories. The report has also identified key action areas for each state to improve the logistics ecosystem in the within the state. These areas include ease of storage & goods movement, regulatory and operational environment and so on. The report provides 3 performance categories - Achievers (states and UTs achieving 90 per cent or more), Fast Movers (states and UTs scoring between 80 and 90 per cent), and Aspirers (states and UTs with percentage scoring below 80 per cent).

Categories	Achievers	Fast movers	Aspirers
Landlocked states	Haryana, Himachal Pradesh, Punjab, Telangana, Uttar Pradesh, Uttarakhand,	Madhya Pradesh, Rajasthan	Bihar, Chhattisgarh, Jharkhand
Coastal states	Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Odisha, Tamil Nadu	Kerala	Goa, West Bengal
North-Eastern Region	Assam	Sikkim, Tripura	Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland
UTs	Chandigarh, Delhi	Puducherry	Andaman & Nicobar, Daman-Diu, Dadra & Nagar Haveli, Jammu & Kashmir, Ladakh, Lakshadweep

## Logistics Performance Index 2023

The growth of the logistics sector in India and the enablers are also reflected in the Logistics Performance Index 2023. India has climbed 6 places to Rank 38 out of 139 countries in the 7<sup>th</sup> edition of Logistics Performance Index (LPI 2023). India has seen improvement in all the parameters while on 4 out of 6 LPI indicators India has seen remarkable improvement on the back of various initiatives being implemented over the past few years.

This is a strong indicator of India's global positioning, with this development being powered by the administration's focus on reforms for improving logistics infrastructure.

### India at LPI 2023

Year	2023	2007
Rank	38	44
Overall	3.4 ▲	3.2
Customs	3.0 ▲	3.0
Infrastructure	3.2 ▲	2.9
International shipments	3.5 ▲	3.2
Logistics competence	3.5 ▲	3.1
Tracking & tracing	3.4 ▲	3.3
Timeliness	3.6 ▲	3.5

## Roadmap for the future

The ports and logistics industry has been a key driver of socio-economic transformation, experiencing significant growth through the implementation of new policies, amendments to existing policies, increased cargo traffic, private sector participation, and the development of new greenfield ports/terminals infrastructure.

## Performance overview

During the year under review, APSEZ performance was good & promising with cargo volumes witnessing 9% YoY growth. The Company dominated on all fronts; Mundra port retained its top position as the largest port in India, handling 155.4 MMT of cargo in FY23. The total cargo handled across all Adani ports was 339.2 MMT, including 2.61 MMT cargo handled at Haifa Port, Israel. In India, APSEZ ports have handled 336.6 MMT cargo, through our 11 operating ports/Terminals. APSEZ India ports portfolio has witnessed around 8 % YoY volumes growth. Dry cargo volume crossed 176 MMT mark, registering 11% YoY growth. Key growth commodities in dry cargo were Coal, Fertilizers, Iron ore, other certain minerals and agri commodities. Coastal coal has witnessed massive 110% YoY growth (19.1 MMT in FY 23 against 9.11 MMT in FY 22). In India, APSEZ ports container volume reached 8.6 MTEUs volume against 8.2 MTEUs in FY 22, registering 5% YoY growth. APSEZ Mundra port has maintained its top position in container volume handling, Mundra has handled 6.64 MTEUs in FY 23 against 6.51 MTEUs in FY 22, registering 2% YoY volume growth. In FY23, Mundra port has witnessed 11.5% YoY growth in Car export volumes. Port exported 2,08,516 no. of cars against 1,87,090 cars exported in FY 22. Out of APSEZ's 11 operating ports, 10 ports have witnessed YoY volume growth. Mundra port has witnessed more than 3% YoY volume growth, handled 155.4 MMT; Tuna port has handled 8.2 MMT, with 17.1% YoY growth; Dahej port has handled 11.4 MMT cargo, registering 41% YoY growth, Hazira port has handled 25.3 MMT cargo, with 1.6% YoY growth; Dighi has handled 0.24 MMT cargo; Goa terminal has handled 4.44 MMT cargo registering 10% YoY growth; Ennore container terminal has handled 8.23 MMT cargo, with 17.4% YoY volume growth; Kattupalli port has witnessed 55% YoY growth, handled 11.5 MMT cargo, Krishnapatnam port has handled 48.3 MMT cargo, with 20.3% YoY growth, Gangavaram port has handled 32.44 MMT cargo, registering 8% YoY growth; however, Dhamra port has handled 31.3 MMT cargo, with a YoY 6.5% degrowth. Progressively, non-Mundra ports volume share in APSEZ ports portfolio is growing. In FY 23, Mundra port market share in APSEZ total ports portfolio (excluding Haifa) was 46%, which was 48% in FY 22. Similar trends were also witnessed in APSEZ ports container volumes, Mundra share in APSEZ total container volumes has

come down to 77.3%, from 79.4% in FY 22. APSEZ is continuously focusing on volume diversification and reduce concentration risk.

## Operational highlights

### Port business

- APSEZ continued to dominate ports market. During FY23, APSEZ ports has handled 339.2 MMT of cargo against 312 MMT cargo volumes in FY22, registering 9 % YoY volume growth.
- APSEZ all India ports volume has witnessed 8% YoY growth; company has handled 336.6 MMT in FY23 against 312.4 MMT volumes in FY22.
- APSEZ following ports/terminals has handled all time highest cargo in FY 23: Mundra Port, Tuna Terminal, Hazira Port, Mormugao Terminal, Kattupalli Port and Ennore Container Terminal.
- Recently acquired Haifa ports in Israel, has handled 2.16 MMT cargo (from date of acquisition).
- At APSEZ, the growth in ports cargo volume was led by dry cargo (11 % increase), followed by containers (+5%).
- In dry cargo, coastal coal volume has witnessed around 110% YoY growth: APSEZ has handled 19.1 MMT of coastal coal volumes in FY 23 against 9.1 MMT in FY 22. Overall coal volumes (EXIM + Coastal) have witnessed around 19% YoY growth. In FY23, APSEZ ports have handled around 123 MMT coal cargo. Similarly in operating year FY23, APSEZ ports have handled 5.3 MMT Agri commodities against 2.7 MMT in FY 22, registering 96% YoY volume growth.
- In liquid cargo handling in FY23, APSEZ ports have witnessed 5% YoY growth in Veg oil, 15% growth in chemicals. Similarly, LPG volumes have witnessed more than 50% YoY growth.
- Containers volumes have witnessed 5 % YoY growth. In FY 23, APSEZ ports has handled 8.6 MTEUs container volumes against 8.2 MTEUs in FY 22. APSEZ ports have exported 208,516 no. of cars in FY 23 against 187,090 no. in FY 22, registering 11.5% YoY volume growth.
- In FY 23, at APSEZ Ports/Terminals, total 21 no. of new container services have been added, which has resulted in addition of 0.3 MTEUs volumes. Mundra has added total 12 new container services followed by 4 new services at Hazira port, 2 at Kattupalli, 2 at Krishnapatnam and 1 at Gangavaram.
- APSEZ continued to focus on achieving east coast versus west coast parity. Cargo volumes on the eastern ports grew by 11.6% and those on the

west grew by 5.4%, improving the cargo handling ratio (%) between the west coast and east coast to 61:39 (from 62:38 in FY 22).

- Progressively, APSEZ ports are witnessing higher rail dispatch/receipt volumes. In FY 23, total rail-based volumes at APSEZ ports were 121 MMT against 99 MMT in FY 22. Rail volumes have witnessed 22% growth, Rail share in FY 23 has grown to 39% from 35% in FY 22.
- Rail volumes YoY growth(receipt/dispatch) at APSEZ ports/terminals: Mundra (10%), Tuna (53%), Dahej(210%), Mormugao Terminal(23%), Ennore Container Terminal (22%), Krishnapatnam(78%), Gangavaram(32%). Dhamra has witnessed 2 % YoY degrowth in rail volumes.
- In FY 23, our ports capacity utilization has crossed 60% mark: In FY 22, our port capacity utilizations was around 58%. Total operating port capacity of APSEZ Indian portfolio in March 2023 was close to 558 MMTPA, excluding recently acquired Karaikal Port.
- In FY 23, Mundra continued to be the largest container handling port in India: Mundra has handled 6.64 million TEUs which was 0.6 million TEUs higher than JNPT.
- APSEZ Mundra port & Ennore container terminal have handled all time highest container volumes in FY 23.
- In August 2022, APSEZ has inaugurated a new container terminal at Gangavaram port with a capacity of 0.6 MTEUs/annum. The Container Berth has the permissible draft of 15.5 mtr. and can handle up to 80000 DWT vessel. Terminal is operating with 3 no. of STS crane and 8 no. of RTGs.
- In FY23, at Krishnapatnam port, 6 MMTPA liquid cargo capacity has been added. Further mechanization of berth no. 6 at Krishnapatnam port has also added additional 5 MMTPA dry bulk cargo capacity.
- Kattupalli port has added around 6 MMTPA capacity through non-marine infrastructure addition at port. This includes addition of liquid tanks, expansion of container terminal yard, paved yard, equipment and 1 no of STS crane.

### Logistics business

- Registered a 24% Y-o-Y growth in rail volume to 500,446 TEUs.
- GPWIS cargo volumes grew by 63% Y-o-Y to 14.35 MMT.

- Terminal volumes of 358,863 TEUs reflect 19% Y-o-Y growth.
- Added Taloja MMLP, Tumb ICD, Loni ICD and Valvada ICD to terminal portfolio taking total number of MMLPs under management to 11 with one more terminal under construction at Virochannagar.
- Increased owned Grade-A warehousing space to ~1.6 Mn sqft area from ~0.8 Mn sqft in FY22
- In the Agri business, operational silo capacity has been increased to ~1.1 MMT spread over 18 locations with 0.1 MMT capacity in project stage across 2 locations.
- Expanded rolling stock by adding 1 container rake and 17 new bulk rakes under the GPWIS scheme, taking the total number of rakes to 93.

## Financial highlights

### Revenue

- Consolidated revenue grew by 22% to ₹20,852 crore on the back of well-rounded growth registered by three key business segments - port, logistics and SEZ.
- Cargo volume growth, improved realization, and addition of OSL and Haifa port, enabled port revenue increase of 22% to ₹17,304 crore.
- Revenue from the logistics business stood at ₹1,744 crore, a growth of 44% on account of acquisition of Tumb ICD, induction of new rakes in GPWIS and addition in warehousing capacity.

### EBITDA

- Consolidated EBITDA grew by 21% to ₹12,833 crore on the back of a 22% growth in revenue.
- Port EBITDA grew 21% to ₹12,039 crore on the back of growth in port revenues.
- Logistics business EBIDTA grew by 52% to ₹487 crore on account of acquisition of Tumb ICD, induction of new rakes in GPWIS and addition in warehousing capacity.

### Balance Sheet and cash flow

- FY23 net debt-to-EBIDTA stood at 3.1x, within the guided range of 3.0-3.5x.
- Free cash flow from operations after adjusting working capital changes, capex and net interest cost was ₹1,416 crore compared to ₹6,554 crore in FY22. This was mainly due to capex increasing by ₹5,311 crore in FY23.

- The Board recommended a dividend of ₹5 per share, a payout of around ₹1,080 crore, and 20% of the reported PAT.

### ESG highlights

- The Company is aligned with Adani Group's vision to plant 100 million trees by 2030.
- Achievement against FY23 ESG targets: The emission intensity and water intensity have improved from last year and achieved the FY23 targets.
- Progress on fuel switch: Achieved switch from fossil fuel to electricity with purchase of 338 electric ITVs for Mundra, Hazira, Kattupalli & Ennore operations. Other equipment like RTGs and quay cranes have been fully electrified.
- Progress on renewable energy sourcing: The company has around 34MW of installed renewable capacity of captive/PPA solar and wind power. An Additional around 250MW of renewable capacity will be commissioned in the next couple of years.
- Carbon offsetting: APSEZ has enhanced its ambition of additional mangrove plantation to 2000 hectares of which 1000 hectares have been completed by FY23 end. Bio-shield of 20 hectares was developed in Bharuch district in which plantation of mangroves and pilu (*salvadora persica*) have been done to prevent soil erosion as well as conserve marine life and provide fodder for the cattle of nearby villages.
- Stakeholder engagements: Different levels of engagement conducted with customers, employees, suppliers, and communities on ESG-related matters which ensured adoption of best practices and global standards.
- Net-zero planning process: The company has formulated its net zero plan, which will be announced in the second half of the year. This is in line with the commitment made to the Science Based Target Initiative (SBTi).
- Climate adaptation plan: Adaptation measures were identified based on detailed risk and vulnerability assessment done for 12 port sites.
- ESG Investments: In FY 2022-23, we invested Rs 767.4 crore, in projects related to electrification of equipment, rail infra, energy efficiency, emission reduction, environment protection, water management, waste treatment and adaptation to climate change. Overall, ₹384 crore was spent on electrification of equipment of which ₹347.7 crore alone was spent to purchase of electric ITVs and develop infrastructure for its charging and maintenance. Around ₹331 crore was spent on different rail projects like electrification and

upgradation of existing lines and equipment, which helped reduce energy use through modal shift and efficiency improvements.

### Special Economic Zone

Mundra SEZ is the largest multi-sector SEZ in India. It covers an area of 8,234 hectares. Excellent multi-modal connectivity makes the SEZ an attractive investment destination. Cluster-based development approach has been adopted. Mundra SEZ contains an electronics manufacturing cluster, a textile park as well as a chemical cluster. The SEZ currently houses more than 60 Units in various sectors. Moreover, 19 co-developers provide various infrastructure facilities.

The cumulative exports have exceeded ₹40,750 crore, with exports of ₹9237 crore during FY 2022-23. The investment of more than ₹63,500 crore and employment of more than 26,000 persons (direct & indirect) has already been achieved.

Mundra SEZ is working ceaselessly for attracting new investments in excess of ₹25,000 crore over the next 5 years.

### Strategy

- The Company has achieved a constant increase in shareholder yield, market leadership, and growth by improving its capital allotment, diversifying its cargo, securing long-term contracts, increasing efficiency, utilizing capacity better, creating new capacities, and expanding its ports network.
- The Company aims to become a customer-centric transport utility across the port and hinterland with a pan-India integrated logistics footprint, by expanding its logistics portfolio to include rail, logistics parks, warehouses, cold-storage facilities, air freight stations, grain silos, inland waterways, and trucking.
- The Company is focused on anchoring world-class facilities, skills, technology, and a digitized logistics value chain that leverages visibility, analytics, and automation.
- The Company is dedicated to improving environmental conservation and creating a safer society through its Environment, Social, and Governance (ESG) and safety initiatives.

### Risks and concerns

APSEZ established an Enterprise Risk Management (ERM) framework for identifying, assessing, evaluating, and managing risks. The framework involves identifying risks, examining consequences, introducing mitigation strategies, and implementing corrective actions. The scope of the ERM framework at APSEZ was as follows:

**Strategic and economic risk:** The Company faces various challenges, including economic uncertainty, a potential slowdown, government policies, excessive concentration of business with a few shipping lines or customers, and the need for geographical expansion.

**Operational risk:** The Company faces various operational risks, such as penalties, theft of shipments, changes in cargo dimensions, damage to assets, and other potential hazards.

**Growth risk:** The Company faces intense global and domestic competition, which can lead to inconsistent pricing and commercial terms, conflicts with allied infrastructure, challenges in project implementation, and difficulties with mergers and acquisitions (M&A) and integration.

**Reputational risk:** The Company may face a cynical perspective from stakeholders, particularly in the event of any unforeseen event, accident, or hazard.

**Profitability & liquidity risk:** The Company faces financial risks such as forex fluctuations, interest rate volatility, difficulties in procuring funds at the right cost, and challenges associated with capital-intensive and lengthy incubation period projects.

**ESG risk:** The Company faces risks arising from increasing sea levels, natural calamities, fatalities, and noncompliance with foreign standards of governance.

**Technology risk:** The Company faces risks related to data recovery, system interruptions, cyber security breaches, and the implementation of artificial intelligence and robotic process automation.

**People risk:** The Company faces risks related to workforce management, including the retention of existing talented employees, attracting new talent, labour strikes, and excessive dependence on contractual workforce.

**Projects completion-related risks:** The company faces risks related to regional crisis, pandemic, material and manpower availability.

APSEZ's Audit Committee regularly reviewed the risk management report and suggested corrective actions. Risk evaluation was done as per OHSAS 18001 standards and reviewed periodically. APSEZ manages risks through cargo diversification, strategic capacities, long-term contracts, operational efficiency, cost optimization and integrated logistics services.

## Human resource development

APSEZ considers its people and culture as a competitive advantage, offering a superior proposition to customers and career opportunities to its employees. The company aims to enhance its businesses and expand into new areas while providing a conducive work environment.

APSEZ focused on building capacity at three levels: the organization, teams, and individuals. It continually improved related systems, processes, and people management practices to enhance employee capabilities.

The Company's average employee age was 41, marked by youth, energy and dynamism. 88% of workforce were engineers or specialized /professional degree holders. The Company motivated employees through continuous re-learning; improved performance was rewarded.

APSEZ has been named the Best Place to Work in the Nation Builder category for three consecutive years. The organization provides excellent career opportunities and offers various interventions for talent and capability building. Professional growth is encouraged through empowerment and decision-making opportunities, resulting in improved business responsiveness.

## Financial overview

### Consolidated financial performance

The Company recorded a total income of ₹22,405 crore during FY23 compared to ₹19,343 crore in the previous financial year.

The Company generated Earnings before Interest, Depreciation and Tax (EBIDTA) (excluding foreign exchange gain/loss) from operational income of ₹12,833 crore during FY23, compared to ₹10,607 crore in the previous year.

Profit before Tax (PBT) for FY23 stood at ₹5,489 crore. Net profit for FY 2022-23 was ₹5,393 crore compared to ₹4,953 crore in the previous financial year.

Total comprehensive income attributable to equity holders of the parent for FY 2022-23 was ₹4,774 crore, compared to ₹4,811 crore in the previous financial year.

Earnings per Share (EPS) stood at ₹24.58 on a face value of ₹2 each.

## Key financial ratios and return on net worth

The key financial ratios compared to the last financial year are as under:

Particulars	Current FY ended March 31, 2023	Previous FY ended March 31, 2022	Changes between current FY and previous FY
Debtors' Turnover	7.63	7.43	3%
Interest Service Coverage Ratio	5.20	4.54	15%
Current Ratio	1.36	1.46	-7%
Debt Equity Ratio	1.09	1.08	1%
Operating Profit Margin (%)	62%	61%	1%
Net Profit Margin (%)	26%	29%	-3%
Return on Avg Net-Worth (%)	12%	13%	-1%

### Notes:

a. The above ratios were based on Consolidated Financial Statements of the Company.

b. Definitions of ratios:

1. Debtors' turnover: The revenue from operations divided by the average accounts receivable.
2. Interest coverage ratio: earnings available for debt service (PAT + Interest cost+ Foreign Exchange Loss or (Gain) (net)+Depreciation) to interest cost.
3. Current ratio: Current assets by current liabilities.
4. Debt-equity ratio: Total debt by shareholders equity.
5. Operating profit margin: EBITDA (Excluding Foreign Exchange Loss or (Gain) (net) and exceptional item) by Revenue from Operations.
6. Net profit margin: Profit after tax by Revenue from Operations.
7. Return on average net worth: Profit for the year by average net worth for the year.
9. Operating EBIDTA means operating income less operating expenses, employee costs and other/administrative expenses, excluding foreign exchange gain/loss.

### Internal control systems and their adequacy

The Company has put in place strong internal control systems and best in class processes commensurate with its size and scale of operations.

There is a well-established multidisciplinary Management Audit & Assurance Services (MA&AS) that consists of professionally qualified accountants, certified internal auditors, engineers, MBAs, and SAP experienced executives who carry out audits through the year across all functional areas and submit reports to Management and Audit Committee about

the compliance with internal controls, efficiency & effectiveness of operations and key processes risks.

Some key features of the Company's internal controls system comprised:

- Adequate documentation of policies and guidelines.
- Preparation & monitoring of Annual Budgets through monthly reviews of all operating & service functions.
- MA&AS department prepared risk-based internal audit plan with a frequency of audit based on risk ratings of areas / functions. Scope is discussed amongst MA&AS team, functional heads / process owners / CEO & CFO. The audit plan is formally reviewed and approved by Audit Committee of the Board.
- Internal audit process is automated and managed on a documentation platform - Audit Management System.
- The Company has a strong compliance management system, underpinned by an online monitoring system.
- The Company practices delegation of power with authority limits for approving revenue & capex expenditure.
- The Company uses Enterprise Resource Planning (ERP) System (SAP) to record data for accounting, consolidation and management information purposes.
- The Company engages external experts to conduct independent reviews of the effectiveness of business processes.
- The Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

The Audit Committee reviews the execution of audit plan and internal audit recommendations including those relating to strengthening the Company's policies & systems on a periodic basis.

**Cautionary statement**

The discussion hereunder covers the performance of APSEZ and its business outlook for the future. This outlook is based on assessment of the current business environment and government policies. The change in future economic and other developments is likely to cause a variation in this outlook. Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates,

expectations and others may constitute 'forward-looking statements' within the meaning of applicable securities, laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in the government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any control. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events or otherwise.

# Corporate Governance Report

## 1. Company's philosophy on corporate governance

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. Adani Ports and Special Economic Zone Limited ("Company/APSEZL") is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community, investors and the Government.

**Courage, Trust and Commitment** are the main tenets of our Corporate Governance Philosophy:

- **Courage:** We shall embrace new ideas and businesses.
- **Trust:** We shall believe in our employees and other stakeholders.
- **Commitment:** We shall stand by our promises and adhere to high standard of business.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

## 2. Board of Directors ("Board")

The Board, being the trustee of the Company and responsible for the establishment of cultural, ethical, sustainable and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board is at the helm of the Company's Corporate

Governance practice. It provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

### Composition of the Board:

The Company has a balanced Board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

The Board currently comprises of 10 (Ten) Directors out of which 2 (two) Directors are Executive Directors, 3 (three) are Non-Executive, Non-Independent Directors and remaining 5 (five) are Independent Directors. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations.

The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act.

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

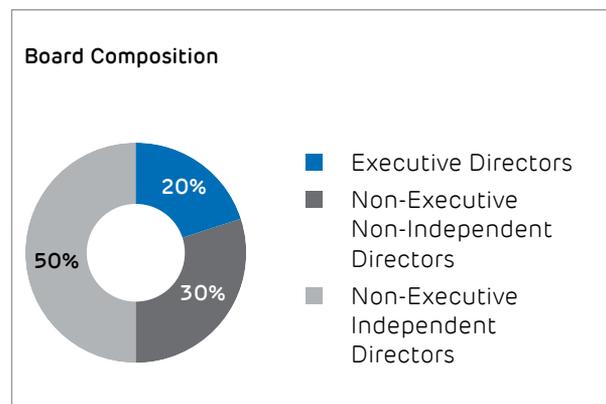
No Director is related to each other except Mr. Gautam S. Adani and Mr. Rajesh S. Adani, who are related to each other as brothers and Mr. Karan Adani who is son of Mr. Gautam S. Adani.

In compliance with Regulation 17, 17A and 26 of the SEBI Listing Regulations, none of the Directors is a

director of more than 10 (ten) public companies or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Company's Board is a member of more than 10 (ten) committees and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/she is a director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations, which requires that for a company with a chairman, who is a promoter, at least half of the board shall consist of independent directors and the board of directors of the top 1,000 listed companies, effective 1<sup>st</sup> April, 2020, shall have at least one independent woman director.

The composition of Board as on 31<sup>st</sup> March, 2023 is as under:



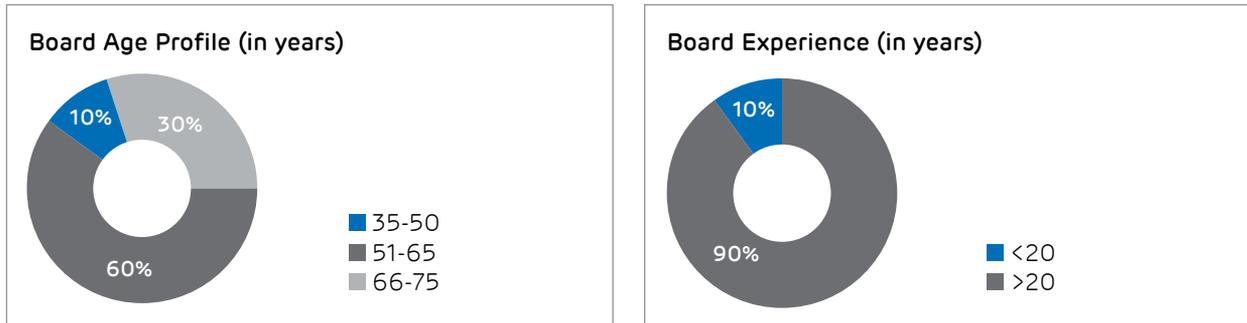
The details of the Board of Directors and the number of other directorship and committee positions held by them as on 31<sup>st</sup> March, 2023, are as under:

Name, Designation & DIN of Director	Age & Date of Appointment	Category of Directorship	No. of other Directorship held <sup>1</sup> (other than APSEZL)	Details of Committee <sup>2</sup> (other than APSEZL)	
				Chairman	Member
<b>Mr. Gautam S. Adani,</b> Chairman & Managing Director DIN: 00006273	60 years, 26-05-1998	Promoter & Executive	6	-	-
<b>Mr. Rajesh S. Adani,</b> Director DIN: 00006322	58 years, 26-05-1998	Promoter & Non-Executive	5	-	3
<b>Dr. Malay Mahadevia,</b> Director DIN: 00064110	60 years, 20-05-2009	Non-Independent & Non-Executive	5	-	-
<b>Mr. Karan Adani,</b> Whole-Time Director & CEO DIN: 03088095	36 years, 24-05-2017	Executive	3	-	-
<b>Mr. Ranjitsinh B. Barad, IAS,</b> Director DIN: 07559958	58 years, 21-12-2022	Non-Independent & Non-Executive	6	-	1
<b>Prof. G. Raghuram,</b> Director DIN: 01099026	67 years 09-08-2014	Independent & Non- Executive	2	-	1
<b>Mr. G. K. Pillai,</b> Director DIN: 02340756	73 years, 09-08-2014	Independent & Non- Executive	2	-	2
<b>Mr. Bharat Sheth,</b> Director DIN: 00022102	65 years, 15-10-2019	Independent & Non- Executive	2	-	1
<b>Mrs. Nirupama Rao,</b> Director DIN: 06954879	72 years, 22-04-2019	Independent & Non- Executive	3	1	-
<b>Mr. P.S. Jayakumar,</b> Director DIN: 01173236	60 years, 23-07-2020	Independent & Non- Executive	9	3	5

<sup>1</sup>Excluding private limited companies, which are not the subsidiaries of public limited companies, foreign companies, Section 8 companies and alternate directorships.

<sup>2</sup>Includes only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the SEBI Listing Regulations.

Board Age profile and Board Experience is as under:



Profiles of the Directors are available on the website of the Company at <https://origin-webapp.adaniports.com/About-us/Board-of-Directors>

Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship, as on 31<sup>st</sup> March, 2023, are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a director	Category of Directorship
Mr. Gautam S. Adani, DIN: 00006273	Adani Enterprises Ltd.	Promoter & Executive
	Adani Transmission Ltd.	Promoter & Executive
	Adani Total Gas Ltd.	Promoter & Non-Executive
	Adani Power Ltd.	Promoter & Non-Executive
	Adani Green Energy Ltd.	Promoter & Non-Executive
	Ambuja Cements Ltd.	Non- Executive & Non- Independent
Mr. Rajesh S. Adani, DIN: 00006322	Adani Enterprises Ltd.	Promoter & Executive
	Adani Transmission Ltd.	Promoter & Executive
	Adani Power Ltd.	Promoter & Non-Executive
	Adani Green Energy Ltd.	Promoter & Non-Executive
Dr. Malay Mahadevia, DIN: 00064110	Adani Wilmar Ltd.	Non- Executive & Non- Independent
Mr. Karan Adani, DIN: 03088095	Ambuja Cements Ltd.	Non- Executive & Non- Independent
	ACC Ltd.	Non- Executive & Non- Independent
Mr. Ranjitsinh B. Barad, IAS DIN: 07559958	Gujarat Pipavav Port Ltd.	Non- Executive & Nominee
Prof. G. Raghuram, DIN: 01099026	Jupiter Wagons Limited	Non-Executive & Independent
Mr. G. K. Pillai, DIN: 02340756	-	-
Mr. Bharat Sheth, DIN: 00022102	The Great Eastern Shipping Company Ltd.	Promoter, Executive & Managing Director
Mrs. Nirupama Rao, DIN: 06954879	ITC Ltd.	Non-Executive & Independent
	KEC International Ltd.	Non-Executive & Independent
	JSW Steel Ltd.	Non-Executive & Independent
Mr. P.S. Jayakumar, DIN: 01173236	JM Financial Ltd.	Non-Executive & Independent
	CG Power and Industrial Solutions Ltd.	Non-Executive & Independent
	HT Media Ltd.	Non-Executive & Independent

**Board Meeting and Procedure:**

The internal guidelines for Board / Committee meetings facilitate the decision-making process at the meetings of the Board/Committees in an informed and efficient manner.

The Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary, in consultation with the Senior Management, prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. In order to transact some urgent business, which may come up after circulating agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering finance and operations of the Company, terms of reference of the Committees, global business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company, as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned, promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee, for noting by the Board/Committee.

The option to participate in the Meeting through video conferencing is made available to the Directors, in compliance with the Act read with rules made thereunder.

During the year under review, the Board met six times i.e. on 24<sup>th</sup> May, 2022, 7<sup>th</sup> July, 2022, 8<sup>th</sup> August, 2022, 29<sup>th</sup> September, 2022, 1<sup>st</sup> November, 2022, and 7<sup>th</sup> February, 2023. The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings held during FY23 and at the Annual General Meeting held on 26<sup>th</sup> July, 2022, are as under:

Name of Director	No. of Meetings			Attendance at last AGM	% of attendance
	Held during the tenure	Attended			
		Quarterly Results	Other Matters		
Mr. Gautam S. Adani	6	3	1	Yes	67
Mr. Rajesh S. Adani	6	4	1	Yes	83
Dr. Malay Mahadevia	6	4	2	Yes	100
Mr. Karan Adani	6	4	1	Yes	83
Prof. G. Raghuram	6	4	2	Yes	100
Mr. G. K. Pillai	6	4	2	Yes	100
Mr. Bharat Sheth	6	3	2	Yes	83
Mrs. Nirupama Rao	6	2	1	No	50
Mr. P. S. Jayakumar	6	4	2	No	100
Mrs. Avantika Singh Aulakh, IAS <sup>1</sup>	3	1	-	No	33
Mr. Ranjitsinh B. Barad, IAS <sup>2</sup>	1	-	-	-	-

<sup>1</sup>Resigned as Director of the Company w.e.f. 21.09.2022

<sup>2</sup>Appointed as Director of the Company w.e.f. 21.12.2022.

During the year, the Board accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board. Hence, the Company is in compliance of condition of clause 10(j) of schedule V of the SEBI Listing Regulations.

### Skills / expertise/competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Risk Management	Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Global Experience	Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition	Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the company's strategy and evaluate operational integration plans.
Corporate Governance & ESG	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data centre, data security etc.

In the table below, the specific areas of focus or expertise of individual Director have been highlighted.

Name of Director	Areas of Skills/ Expertise						
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology & Innovation
Mr. Gautam S. Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Rajesh S. Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Karan Adani	✓	✓	✓	✓	✓	✓	✓
Dr. Malay Mahadevia	✓	✓	✓	✓	✓	✓	✓
Mr. Ranjitsinh B. Barad, IAS	✓	-	✓	-	-	-	-
Prof. G. Raghuram	✓	✓	✓	✓	✓	✓	✓
Mr. G. K. Pillai	✓	✓	✓	-	✓	-	✓
Mr. Bharat Sheth	✓	-	✓	✓	✓	-	-
Mrs. Nirupama Rao	✓	-	-	✓	✓	-	✓
Mr. P. S. Jayakumar	✓	✓	✓	✓	✓	✓	✓

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

### Directors' selection, appointment, induction and familiarisation:

As per the delegation given by the Board to the Nomination and Remuneration Committee (NRC) of the Company, consisting exclusively of independent directors, the NRC screens and selects the suitable candidates, based on the defined criteria and makes

recommendations to the Board on the induction of new directors. The Board appoints the director, subject to the shareholders' approval.

All new directors are taken through a detailed induction and familiarization program when they join the Board. The induction program is an exhaustive one that covers the history and culture of Adani

Group, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

As a part of ongoing training, periodic deep dives and immersion sessions are conducted by senior executives on their respective ports/business units. Key aspects that are covered in these sessions include:

- Industry / market trends
- Company's operations including those of major subsidiaries
- Growth Strategy
- ESG Strategy and performance

The details of the familiarization programme are also available on the website of the Company at <https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Directors-Familiarisation-Programme.pdf>

#### **Meeting of Independent Directors:**

The Independent Directors met on 22<sup>nd</sup> March 2023, without the attendance of Non- Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and Committees of the Board, the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **Confirmation as regards independence of Independent Directors:**

In the opinion of the Board, all the existing Independent Directors, fulfil the conditions specified in the SEBI Listing Regulations and are independent of the Management.

#### **Remuneration Policy:**

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high-performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

#### **i) Remuneration to Non-Executive Directors:**

The members at the Annual General Meeting held on 6<sup>th</sup> August, 2019 approved the payment of remuneration by way of commission to the non-executive directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act for a period of 5 years commencing from 1<sup>st</sup> April, 2020. Based on this, the remuneration by way of commission to the non-executive directors is decided by the Board from time to time. In addition to the remuneration including commission, the non-executive directors are paid sitting fees of ₹50,000 for attending Board and Audit Committee meetings and ₹25,000 for attending other Committees, along with actual reimbursement of expenses, incurred for attending each meeting of the Board and Committees.

The Company has also taken a Directors' & Officers' Liability Insurance Policy.

#### **ii) Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for independent directors are determined by the NRC. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

#### **iii) Remuneration to Executive Directors:**

The remuneration of the Executive Directors is recommended by the NRC to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organisations. The pay structure of Executive Directors has appropriate success and sustainability metrics built in. For Company's WTD & CEO, the variable pay is linked to the following financial and ESG indicators - Revenue, EBIDTA, ROCE, Health & Safety, Energy Intensity, GHG Intensity, Water Intensity, Zero Waste to Landfill (ZWL), and mangrove afforestation area. On the recommendation of the NRC, the remuneration paid/payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), to the Executive Directors is approved by the Board of Directors with the limits prescribed under the Act and approved by the shareholders in the General Meeting.

The Executive Directors are not being paid sitting fees for attending meetings of the Board and Committees.

**Details of Remuneration:****i) Non-Executive Directors:**

The details of sitting fees and commission/remuneration paid to Non-Executive Directors during the FY 2022-23 are as under:

(₹ in Lakhs)

Name	Commission	Sitting Fees	Total
Mr. Rajesh S. Adani	-	3.00	3.00
Dr. Malay Mahadevia	-	4.25	4.25
Prof. G. Raghuram	20.00	9.50	29.50
Mr. G. K. Pillai	20.00	11.00	31.00
Mr. Bharat Sheth	20.00	3.50	23.50
Mrs. Nirupama Rao	20.00	5.25	25.25
Mr. P. S. Jayakumar	20.00	8.50	28.50

Other than sitting fees and commission paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive Directors of the Company. The Company has not granted stock options to the Non-Executive Directors.

**ii) Executive Directors:**

Details of remuneration paid/payable to Chairman & Managing Director and Whole Time Director during the FY 2022-23 are as under:

(₹ in Lakhs)

Name	Salary	Perquisites, Allowances & other Benefits	Commission <sup>#</sup>	Total
Mr. Gautam S. Adani	180.00	-	-	180.00
Mr. Karan Adani	464.00*	75.00	-	539.00

\*includes variable pay of FY 2021-22 disbursed in FY 2022-23

# Due to inadequate profit in FY 2022-23, no Commission would be payable to Mr. Gautam S. Adani for FY 2022-23.

**iii) Details of shares of the Company held by Directors as on 31<sup>st</sup> March, 2023 are as under:**

Name	No. of shares held
Mr. Gautam S. Adani	1
Mr. Rajesh S. Adani	30001

Except above, none of Directors of the Company holds equity shares of the Company in their individual capacity. The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of severance fees. Mr. Gautam S. Adani, Chairman and Managing Director, Mr. Rajesh Adani, Director and Mr. Karan Adani, WTD & CEO, is one of the beneficiaries of S.B. Adani Family Trust along with other beneficiaries. The S.B. Adani Family Trust holds 32.90% equity capital of the Company.

**Note on appointment/re-appointment of Directors:**

Dr. Malay Mahadevia (DIN: 00064110), Director is retiring at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief resume and other information required to be disclosed under this section is provided in the Notice convening the ensuing AGM.

**Code of Conduct:**

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company

www.adaniports.com. All Board Members and Senior Management Personnel have affirmed compliance of the Code. A declaration signed by the Whole Time Director & CEO to this effect, is attached to this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors, as per the provisions of the Act.

**3. Committees of the Board**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly

defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

As on 31<sup>st</sup> March, 2023, the Board has constituted the following committees:

### I. Statutory Committees

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders' Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Risk Management Committee ("RMC")

### II. Non-Statutory Committees

With an objective of further strengthening the governance standards so as to match with internationally accepted better practices, the Board has constituted following additional Committees / Sub-committees:

- A. Corporate Responsibility Committee
- B. Information Technology & Data Security Committee

C. Mergers & Acquisitions Committee (Sub-committee of RMC)

D. Legal, Regulatory & Tax Committee (Sub-committee of RMC)

E. Reputation Risk Committee (Sub-committee of RMC)

### I. Statutory Committees

#### A) Audit Committee:

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. A detailed charter of the Audit Committee is available on the website of the Company at <https://origin-webapp.adaniports.com/Investors/board-and-committee-charters>

The Audit Committee comprise solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

### Terms of reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
2	To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the company
3	To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof
4	To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to: <ul style="list-style-type: none"> <li>▪ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013</li> <li>▪ Changes, if any, in accounting policies and practices and reasons for the same</li> <li>▪ Major accounting entries involving estimates based on the exercise of judgment by the management</li> <li>▪ Significant adjustments made in the financial statements arising out of audit findings</li> <li>▪ Compliance with listing and other legal requirements relating to financial statements</li> <li>▪ Disclosure of any related party transactions</li> <li>▪ Modified opinion(s) in the draft audit report</li> </ul>
5	To review, with the management, the quarterly financial statements before submission to the board for approval

Sr. No.	Terms of Reference
6	To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
7	To review and monitor the Auditor's independence and performance, and effectiveness of audit process
8	To approve or any subsequent modification of transactions of the company with related parties
9	To scrutinise inter-corporate loans and investments
10	To undertake valuation of undertakings or assets of the company, wherever it is necessary
11	To evaluate internal financial controls and risk management systems
12	To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems
13	To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
14	To discuss with internal auditors of any significant findings and follow up there on
15	To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
16	To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
17	To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
18	To review the functioning of the Whistle Blower mechanism
19	To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
20	To review financial statements, in particular the investments made by the Company's unlisted subsidiaries
21	To review compliance with the provisions of SEBI Insider Trading Regulations and verify that the systems for internal control are adequate and are operation effectively
22	To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments
23	To oversee the company's disclosures and compliance risks, including those related to climate
24	To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
25	To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon
26	To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines
27	To review and recommend to the Board for approval – Business plan, Budget for the year and revised estimates
28	To review Company's financial policies, strategies and capital structure, working capital and cash flow management
29	To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee
30	To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations
31	To review management discussion and analysis of financial condition and results of operations
32	To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors
33	To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable

**Meeting, Attendance & Composition of the Audit Committee:**

During the year under review, Audit Committee met six times i.e. on 24<sup>th</sup> May, 2022, 7<sup>th</sup> July, 2022, 8<sup>th</sup> August, 2022, 1<sup>st</sup> November, 2022, 6<sup>th</sup> February, 2023 and 22<sup>nd</sup> March, 2023. The intervening gap between two meetings did not exceed 120 days.

The composition of Audit Committee and details of attendance of the members at the meetings, during FY 2022-23 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. G. K. Pillai, Chairman of Committee	Non-Executive & Independent	6	6	100
Prof. G. Raghuram, Member	Non-Executive & Independent	6	6	100
Mr. P. S. Jayakumar, Member	Non-Executive & Independent	6	6	100
Mrs. Nirupama Rao, Member	Non-Executive & Independent	6	3	50

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meetings are attended by the WTD & CEO, representatives of Statutory Auditors, Internal Auditor and Finance & Accounts department.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The Board of Directors review the minutes of the Audit Committee Meetings, at its subsequent meetings.

Mr. G. K. Pillai, Chairman of the Audit Committee was present at the AGM held on 26<sup>th</sup> July, 2022 to answer shareholders' queries.

**B) Nomination and Remuneration Committee (NRC):**

All the members of the NRC are Independent Directors. A detailed charter of the NRC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

**Terms of reference:**

The powers, role and terms of reference of NRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of NRC, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees
2	To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of directors
3	To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
4	To devise a policy on diversity of Board of Directors
5	To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
6	To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
7	To review and recommend remuneration of the Managing Director(s) / Whole-time Director(s) based on their performance
8	To recommend to the Board, all remuneration, in whatever form, payable to senior management
9	To review, amend and approve all Human Resources related policies
10	To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system

Sr. No.	Terms of Reference
11	To oversee workplace safety goals, risks related to workforce and compensation practices
12	To oversee employee diversity programs
13	To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management)
14	To oversee familiarisation programme for Directors
15	To recommend the appointment of one of the Independent Directors of the Company on the Board of its Material Subsidiary
16	To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable

#### Meeting, Attendance & Composition of the NRC:

During the year under review, the NRC met three times i.e. on 10<sup>th</sup> May, 2022, 7<sup>th</sup> July, 2022 and 6<sup>th</sup> February, 2023.

The composition of NRC and details of attendance of the Members at the meetings held during FY 2022-23 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. P.S. Jayakumar, Chairman of Committee	Non-Executive & Independent	3	3	100
Mr. G. K. Pillai, Member	Non-Executive & Independent	3	3	100
Mrs. Nirupama Rao, Member	Non-Executive & Independent	3	3	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The minutes of the NRC Meetings are reviewed by the Board at its subsequent meetings.

#### C) Stakeholders' Relationship Committee (SRC):

The SRC comprise of three members, with a majority of independent directors. A detailed charter of the SRC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

#### Terms of reference:

The powers, role and terms of reference of SRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of SRC, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/ transmission of shares, non- receipt of annual report, non- receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2	To review the measures taken for effective exercise of voting rights by shareholders
3	To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent
4	To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company
5	To review engagement programs with investors, proxy advisors, etc. and to oversee investors movement (share register)
6	To review engagement with rating agencies (Financial, ESG etc.)

Sr. No.	Terms of Reference
7	To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts / unclaimed shares to the IEPF
8	To suggest and drive implementation of various investor-friendly initiatives
9	To approve and register transfer and / or transmission of securities, issuance of duplicate security certificates, issuance of certificate on rematerialization and to carry out other related activities
10	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable

#### Meeting, Attendance & Composition of the SRC:

During the year under review, the SRC met four times i.e. on 10<sup>th</sup> May, 2022, 6<sup>th</sup> August, 2022, 31<sup>st</sup> October, 2022 and 6<sup>th</sup> February, 2023.

The composition of SRC and details of attendance of the Members at the meetings held during the FY 2022-23, are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Prof. G. Raghuram, Chairman of Committee	Non-Executive & Independent	4	4	100
Mr. G. K. Pillai, Member	Non-Executive & Independent	4	4	100
Mr. Karan Adani, Member	Executive	4	4	100

The Company Secretary is the Compliance Officer of the Company as per requirements of the SEBI Listing Regulations.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The minutes of the SRC are reviewed by the Board at its subsequent meetings.

Prof. G. Raghuram, Chairman of the SRC was present at the AGM held on 26<sup>th</sup> July, 2022 to answer shareholders' queries.

#### Redressal of Investor Grievances

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

Status Report of investor complaints during the FY 2022-23 is as under:

Pending at the beginning of the year	Nil
Received during the year	9
Disposed during the year	8
Pending at the end of the year	1*

\*resolved on 5<sup>th</sup> April, 2023

#### D) Corporate Social Responsibility (CSR) Committee:

The CSR Committee comprise of four members, with a majority of independent directors. A detailed charter of the CSR Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

**Terms of reference:**

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof
2	To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy
3	To recommend to the Board the amount of expenditure to be incurred on the CSR activities
4	To monitor the implementation of framework of CSR Policy
5	To review the performance of the Company in the areas of CSR
6	To institute a transparent monitoring mechanism for implementation of CSR projects/activities undertaken by the company
7	To recommend extension of duration of existing project and classify it as on-going project or other than on-going project
8	To submit annual report of CSR activities to the Board
9	To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board
10	To review and monitor all CSR projects and impact assessment report
11	To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties

**Meeting, Attendance & Composition of the CSR:**

During the year under review, CSR Committee met two times i.e. on 10<sup>th</sup> May, 2022 and 31<sup>st</sup> October, 2022.

The composition of CSR and details of attendance of the Members at the meetings held during the FY 2022-23, are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mrs. Nirupama Rao, Chairperson of Committee	Non-Executive & Independent	2	2	100
Mr. G. K. Pillai, Member	Non-Executive & Independent	2	2	100
Prof. G. Raghuram, Member	Non-Executive & Independent	2	2	100
Dr. Malay Mahadevia, Member	Non-Executive & Non-Independent	2	1	50

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The minutes of CSR Meetings are reviewed by the Board at its subsequent meetings.

**E) Risk Management Committee (RMC):**

The RMC comprise of three members, with a majority of independent directors. A detailed charter of the RMC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

**Terms of reference:**

The powers, role and terms of reference of Risk Management Committee covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of RMC, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan
2	To review and approve the Enterprise Risk Management ('ERM') framework
3	To formulate a detailed risk management policy which shall include: <ol style="list-style-type: none"> <li data-bbox="245 534 1441 617">a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee</li> <li data-bbox="245 623 1441 644">b. Measures for risk mitigation including systems and processes for internal control of identified risks</li> <li data-bbox="245 650 1441 706">c. Business continuity plan Oversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks</li> <li data-bbox="245 712 1441 768">d. Oversee regulatory and policy risks related to climate change, including review of state and Central policies</li> </ol>
4	To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company
5	To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
6	To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action
7	To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity
8	To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration
9	To review and approve Company's risk appetite and tolerance with respect to line of business
10	To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions
11	To review and recommend to the Board various business proposals for their corresponding risks and opportunities
12	To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed
13	To form and delegate authority to subcommittee(s), when appropriate, such as: <ul style="list-style-type: none"> <li data-bbox="245 1334 687 1355">▪ Mergers &amp; Acquisition Committee;</li> <li data-bbox="245 1361 703 1382">▪ Legal, Regulatory &amp; Tax Committee;</li> <li data-bbox="245 1388 667 1408">▪ Reputation Risk Committee; and</li> <li data-bbox="245 1415 986 1435">▪ Other Committee(s) as the committee may think appropriate</li> </ul>
14	To oversee suppliers' diversity
15	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable

**Meeting, Attendance & Composition of the RMC:**

During the year under review, the RMC met four times i.e. on 10<sup>th</sup> May, 2022, 6<sup>th</sup> August, 2022, 31<sup>st</sup> October, 2022 and 6<sup>th</sup> February, 2023.

The composition of RMC and details of attendance of the Members at the meetings held during FY 2022-23, are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. G. K. Pillai, Chairman of Committee	Non-Executive & Independent	4	4	100
Dr. Malay Mahadevia, Member	Non-Executive & Non-Independent	4	2	50
Mr. Bharat Sheth, Member	Non-Executive & Independent	4	3	75

The Company has a risk management framework to identify, monitor and minimize risks.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The minutes of the RMC meetings are reviewed by the Board at its subsequent meetings.

## II. Non- Statutory Committees

### A) Corporate Responsibility Committee (CRC):

All the members of CRC are independent directors. A detailed charter of the CRC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

#### Terms of reference:

The brief terms of reference of CRC, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To define the Company's corporate and social obligations as a responsible citizen and oversee its conduct in the context of those obligations
2	To approve a strategy for discharging the Company's corporate and social responsibilities in such a way as to provide an assurance to the Board and stakeholders
3	To oversee the creation of appropriate policies and supporting measures (including Public disclosure policy, Anti-money Laundering policy, Anti Bribery, Fraud & Corruption policies etc.) and map them to UNSDG and GRI disclosure standards
4	To identify and monitor those external developments which are likely to have a significant influence on Company's reputation and/or its ability to conduct its business appropriately as a good citizen and review how best to protect that reputation or that ability
5	To review the Company's stakeholder engagement plan (including vendors / supply chain)
6	To ensure that appropriate communications policies are in place and working effectively to build and protect the Company's reputation both internally and externally
7	To review the Integrated Annual Report of the Company

Sr. No.	Terms of Reference
8	<p>To review and direct for alignment of actions / initiatives of the Company with United Nations Sustainable Development Goals 2030 (UNSDG):</p> <ul style="list-style-type: none"> <li>▪ No poverty</li> <li>▪ Zero hunger</li> <li>▪ Good health &amp; well being</li> <li>▪ Quality education</li> <li>▪ Gender equality</li> <li>▪ Clean water and sanitation</li> <li>▪ Affordance and clean energy</li> <li>▪ Decent work and economic growth</li> <li>▪ Industry, Innovation and Infrastructure</li> <li>▪ Reduced inequalities</li> <li>▪ Sustainable cities and communities</li> <li>▪ Responsible consumption and production</li> <li>▪ Climate action</li> <li>▪ Life below water</li> <li>▪ Life on land</li> <li>▪ Peace and justice strong intuitions</li> <li>▪ Partnerships for goals</li> </ul>
9	<p>To review sustainability and / or ESG and / or Climate reports or other disclosures such as ethical governance, environmental stewardship, safety performance, water and energy use etc. and similar communications to stakeholders on ESG initiatives and activities by the Company and ensure mapping of the same to GRI disclosure standards</p>
10	<p>To oversee strategies, activities and policies regarding sustainable organization including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework</p>
11	<p>To oversee ethical leadership, compliance with the Company's sustainability policy, sustainability actions and proposals and their tie-in with the Strategic Plan, interaction with different stakeholders and compliance with the ethics code</p>
12	<p>To oversee Company's initiatives to support innovation, technology, and sustainability</p>
13	<p>To oversee sustainability risks related to supply chain, climate disruption and public policy</p>
14	<p>To monitor Company's ESG ratings / scores from ESG rating agencies and improvement plan</p>
15	<p>To approve appointment of Chief Sustainability Officer after assessing the qualification, experience and background etc. of the candidate</p>
16	<p>To oversee the Company's:</p> <ul style="list-style-type: none"> <li>▪ Vendor development and engagement programs;</li> <li>▪ program for ESG guidance (including Climate) to stakeholders and to seek feedback on the same and make further improvement programs</li> </ul>
17	<p>To provide assurance to Board in relation to various responsibilities being discharged by the Committee</p>

**Meeting, Attendance & Composition of the CRC:**

During the year under review, four meetings of CRC were held on 10<sup>th</sup> May, 2022, 6<sup>th</sup> August, 2022, 31<sup>st</sup> October, 2022 and 6<sup>th</sup> February, 2023.

The composition of CRC and details of attendance of the Members at the meetings held during FY 2022-23, are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Prof. G. Raghuram, Chairman of the Committee	Non-Executive & Independent	4	4	100
Mr. G. K. Pillai, Member	Non-Executive & Independent	4	4	100
Mr. P. S. Jayakumar, Member	Non-Executive & Independent	4	4	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The minutes of CRC Meetings are reviewed by the Board at its subsequent meetings.

**B) Information Technology & Data Security (IT & DS) Committee:**

All the members of the IT & DS Committee are Independent Directors. A detailed charter of the IT & DS Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

**Terms of reference:**

The brief terms of reference of IT & DS Committee, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To review and oversee the function of the Information Technology (IT) within the Company in establishing and implementing various latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated to the extent possible and thereby to add the value
2	To review and oversee the necessary actions being taken by IT and Cyber team with respect to protection of various important data across the Company and what the policy for data protection and its sustainability
3	To oversee the current cyber risk exposure of the Company and future cyber risk strategy
4	To review at least annually the Company's cyber security breach response and crisis management plan
5	To review reports on any cyber security incidents and the adequacy of proposed action
6	To assess the adequacy of resources and suggest additional measures to be undertaken by the Company
7	To regularly review the cyber risk posed by third parties including outsourced IT and other partners
8	To annually assess the adequacy of the Group's cyber insurance cover

**Meeting, Attendance & Composition of IT & DS Committee:**

During the year under review, two meetings of IT&DS Committee were held on 6<sup>th</sup> August, 2022 and 6<sup>th</sup> February, 2023.

The composition of IT&DS Committee and details of attendance of the Members at the meetings held during FY 2022-23, are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mrs. Nirupama Rao, Chairperson of Committee	Non-Executive & Independent	2	2	100
Mr. G. K. Pillai, Member	Non-Executive & Independent	2	2	100
Prof. G. Raghuram, Member	Non-Executive & Independent	2	2	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The minutes of IT & DS Committee Meetings are reviewed by the Board at its subsequent meetings.

**c) Merger & Acquisition Committee (M&A Committee):**

The M&A Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the M&A Committee is available on the website of the Company at <https://origin-webapp.adaniports.com/Investors/board-and-committee-charters>

**Terms of reference:**

The brief terms of reference of M&A Committee, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To review acquisition strategies with the management
2	To review proposals relating to merger, acquisition, investment or divestment ("Transaction/s") that are presented to the Committee (including how such transaction fits with the Company's strategic plans and acquisition strategy, Transaction timing, important Transaction milestones, financing, key risks (including cyber security) and opportunities, risk appetite, tolerance and the integration plan) and if thought fit, to recommend relevant opportunities to the Audit Committee / Board as appropriate
3	To oversee due diligence process with respect to proposed Transaction(s) and review the reports prepared by internal teams or independent external advisors, if appointed
4	To evaluate execution / completion, integration of Transaction(s) consummated, including information presented by management in correlation with the Transaction approval parameters and the Company's strategic objectives
5	To periodically review the performance of completed Transaction(s)
6	To review the highlights good practices and learnings from Transaction and utilize them for future Transactions
7	To review the tax treatment of Transactions and ascertain their effects upon the financial statements of the Company and seek external advice on the tax treatment of these items, where appropriate

**Meeting, Attendance & Composition of the M&A Committee:**

During the year under review, M&A Committee met once on 31<sup>st</sup> October, 2022.

The composition of the M&A Committee and the details of the attendance of the members at the meeting held during FY 2022-23, are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. P. S. Jayakumar, Chairman of Committee	Non-Executive & Independent	1	1	100
Mr. G. K. Pillai, Member	Non-Executive & Independent	1	1	100
Mr. Karan Adani, Member	Executive	1	1	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The minutes of M&A Committee Meetings are reviewed by the Board at its subsequent meetings.

**D) Legal, Regulatory & Tax Committee (LRT Committee):**

The LRT Committee comprises of three members, with a majority of Independent Directors. A detailed charter of the LRT Committee is available on the website of the Company at <https://origin-webapp.adaniports.com/Investors/board-and-committee-charters>

**Terms of reference:**

The brief terms of reference of LRT Committee, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To exercise oversight with respect to the structure, operation and efficacy of the Company's compliance program
2	To review legal, tax and regulatory matters that may have a material impact on the Company's financial statements and disclosures, reputational risk or business continuity risk

Sr. No.	Terms of Reference
3	To review compliance with applicable laws and regulations
4	To approve the compliance audit plan for the year and review of such audits to be performed by the internal audit department of the Company
5	To review significant inquiries received from, and reviews by, regulators or government agencies, including, without limitation, issues pertaining to compliance with various laws or regulations or enforcement or other actions brought or threatened to be brought against the Company by regulators or government authorities / bodies / agencies
6	To review, oversee and approve the tax strategy and tax governance framework and consider and action tax risk management issues that are brought to the attention of the Committee

#### Meeting, Attendance & Composition of the LRT Committee:

During the year under review, the LRT Committee met two times on 6<sup>th</sup> August, 2022 and 6<sup>th</sup> February, 2023.

The composition of the LRT Committee and the details of the attendance of the members at the meetings held during FY 2022-23 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Prof. G. Raghuram Chairman of Committee	Non-Executive & Independent	2	2	100
Mr. P.S. Jayakumar, Member	Non-Executive & Independent	2	2	100
Mr. Karan Adani, Member	Executive	2	2	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The minutes of LRT Committee Meetings are reviewed by the Board at its subsequent meetings.

#### E) Reputation Risk Committee (RRC):

The RRC comprise of three members, with a majority of Independent Directors. A detailed charter of the RRC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

#### Terms of reference:

The brief terms of reference of RRC, as approved by the Board, are as under:

Sr. No.	Terms of Reference
1	To review reports from management regarding reputation risk, including reporting on the Reputation Risk Management Framework and Reputation Risk Appetite
2	To provide ongoing oversight of the reputational risk posed by global business scenario, functions, geographies, material legal changes, climate change or high-risk relationships / programs
3	To assess and resolve specific issues, potential conflicts of interest and other reputation risk issues that are reported to the Committee
4	To recommend good practices and measures that would avoid reputational loss
5	To review specific cases of non-compliances, violations of codes of conduct which may cause loss to reputation the Company

#### Meeting, Attendance & Composition of the RRC:

During the year under review, two meetings of RRC were held on 6<sup>th</sup> August, 2022 and 6<sup>th</sup> February, 2023.

The composition of the RRC and the details of the attendance of the members at the meetings held during the FY 2022-23 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. Bharat Sheth, Chairman of Committee	Non-Executive & Independent	2	1	50
Mrs. Nirupama Rao, Member	Non-Executive & Independent	2	2	100
Mr. Karan Adani, Member	Executive	2	2	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee. The minutes of RRC Meetings are reviewed by the Board at its subsequent meetings.

#### 4. Subsidiary Companies:

As per criteria given in Regulation 16 of the SEBI Listing Regulations, the Company has five material unlisted subsidiaries namely (i) Adani Krishnapatnam Port Limited (ii) The Dhamra Port Company Limited (iii) The Adani Harbour Services Limited (iv) Adani Logistics Limited and (v) Adani Hazira Port Limited. However, none of the said material subsidiary falls under the criteria given in Regulation 24 of the SEBI Listing Regulations, and hence, the Company is not required to nominate an Independent Director of the Company on the board of any subsidiary. The subsidiaries of the Company function with an adequately empowered board of directors and sufficient resources.

For more effective governance, the Company monitors performance of subsidiary companies, inter alia, by following means:

1. Financial statements, in particular the investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
2. Minutes of unlisted subsidiary companies are placed before the Board of the Company regularly.
3. A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board at its meetings.
4. Presentations are made to the Company's Board on business performance of major subsidiaries of the Company by the senior management.

The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

#### 5. Whistle Blower Policy:

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour and financial irregularities. No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>. The Audit Committee monitors and reviews the investigations of the whistle blower complaints. No whistle blower complaints were received during FY 2022-23.

#### 6. General Body Meetings:

##### a) Annual General Meetings:

The date, time and location of the Annual General Meetings (AGM) held during the preceding 3 years and special resolutions passed thereat are as follows:

Financial Year	Date	Location of Meeting	Time	Special resolutions passed
2019-20	26 <sup>th</sup> June, 2020	Through Video Conferencing/ Other Audio-Visual Means	10.00 a.m.	1
2020-21	12 <sup>th</sup> July, 2021	Through Video Conferencing/ Other Audio-Visual Means	10.00 a.m.	1
2021-22	26 <sup>th</sup> July, 2022	Through Video Conferencing/ Other Audio-Visual Means	11.00 a.m.	3

**b) Special Resolutions passed in the previous AGMs:**

- One Special Resolution was passed at the AGM held on 26<sup>th</sup> June, 2020, with regards to shifting of registered office of the Company outside the local limits of the city but within the same state.
- One Special Resolution was passed at the AGM held on 12<sup>th</sup> July, 2021, with regards to enhancing borrowing limits of the Company under section 180(1)(c) of the Act.
- Three Special Resolutions were passed at the AGM held on 26<sup>th</sup> July, 2022, with regards to re-appointment of Mr. Gautam S. Adani (DIN: 00006273) as a Managing Director of the Company for a period of five years w.e.f. 1<sup>st</sup> July, 2022, re-appointment of Mr. Karan Adani (DIN: 03088095) as Whole-Time Director of the Company for a period of five years w.e.f. 24<sup>th</sup> May, 2022 and re-appointment of Mr. Bharat Sheth (DIN: 00022102) as an Independent Director of the Company for a second term of three years w.e.f. 15<sup>th</sup> October, 2022.

All the resolutions proposed by the Directors to shareholders in last three years were approved by the shareholders with adequate majority.

Transcript of the last AGM is available on the website of the Company at: <https://www.adaniports.com/-/media/Project/Ports/Investor/Transcripts/APSEZL-Transcript-26-7-2022.pdf>

Voting results of the last AGM is available on the website of the Company at: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Corporate-Announcement/other-intimation/scrutinizer-report-26-7-2022.pdf?la=en>

**c) Whether special resolutions were put through postal ballot last year, details of voting pattern:**

There were no special resolutions passed through postal ballot process during FY 2022-23.

**d) Whether any resolutions are proposed to be conducted through postal ballot:**

There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing AGM of the Company require passing a resolution through postal ballot.

**e) Procedure for postal ballot:**

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time shall be complied with, whenever necessary.

**7. Means of Communication:****a) Financial Results:**

The quarterly/half-yearly and annual results of the Company are normally published in the Indian Express (English) and Financial Express (a regional daily published from Gujarat). These results are also uploaded on the website of the Company.

The Company's financial results, press release, official news and presentations to investors are displayed on the Company's web site [www.adaniports.com](http://www.adaniports.com)

**b) Intimation to Stock Exchanges:**

The Company also regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

**c) Earnings Calls and Presentations to Analysts:**

At the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings calls are uploaded on the website of the Company, thereafter.

The Company has maintained consistent communication with investors at various forums organized by investment bankers.

**8. General Shareholders Information:****a) Company Registration details:**

The Company is registered in the State of Gujarat, India. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L63090GJ1998PLC034182.

**b) Annual General Meeting:**

Day and Date	Time	Venue
Tuesday, 8 <sup>th</sup> August, 2023	11.00 A.M	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular, and as such there is no requirement to have a venue for the AGM.

**c) Registered Office:**

Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382421.

**d) Financial Calendar for 2023-24:**

The financial year is 1<sup>st</sup> April to 31<sup>st</sup> March and financial results will be declared as per the following schedule.

Particulars	: Tentative Schedule
Quarter ending on 30 <sup>th</sup> June, 2023	: 2 <sup>nd</sup> week of August, 2023
Quarter ending on 30 <sup>th</sup> September, 2023	: 1 <sup>st</sup> week of November, 2023
Quarter ending on 31 <sup>st</sup> December, 2023	: 1 <sup>st</sup> week of February, 2024
The year ending 31 <sup>st</sup> March, 2024 of 2023-24	: 1 <sup>st</sup> week of May, 2024

**e) Record date:**

The Company has fixed 28<sup>th</sup> July, 2023 as the "Record Date" for determining entitlement of the shareholders to final dividend for the financial year ended 31<sup>st</sup> March, 2023, if approved, at the AGM.

**f) Dividend Distribution Policy:**

The Dividend Distribution Policy of the Company is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>

**Dividend History since listing**

Financial year	Type	Face value (In ₹)	Dividend (% of face value)	Dividend amount per share (In ₹)
2007-08	Final	10	15	1.50
2008-09	Interim	10	20	2.00
2008-09	Final	10	10	1.00
2009-10	Interim	10	25	2.50
2009-10	Final	10	15	1.50
2010-11	Interim	2	25	0.50
2010-11	Interim	2	20	0.40
2011-12	Interim	2	15	0.30
2011-12	Final	2	35	0.70
2012-13	Final	2	50	1.00
2013-14	Final	2	50	1.00
2014-15	Final	2	55	1.10
2015-16	Interim	2	55	1.10
2016-17	Final	2	65	1.30
2017-18	Final	2	100	2.00
2018-19	Final	2	10	0.20
2019-20	Interim	2	160	3.20
2020-21	Final	2	250	5.00
2021-22	Final	2	250	5.00

**Dividend Payment Date:**

Final Dividend of ₹5 per equity share (250%) will be paid on or after 10<sup>th</sup> August, 2023, if approved by the shareholders at the ensuing AGM.

**g) Listing on Stock Exchanges:**

i. The Equity Shares of the Company are listed with the following stock exchanges:

Name of Stock Exchange	Address	Code
BSE Limited (BSE)	Floor 25, P. J Towers, Dalal Street, Mumbai - 400001	532921
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	ADANIPTS

**ii. Depositories:****1. National Securities Depository Limited (NSDL)**

Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

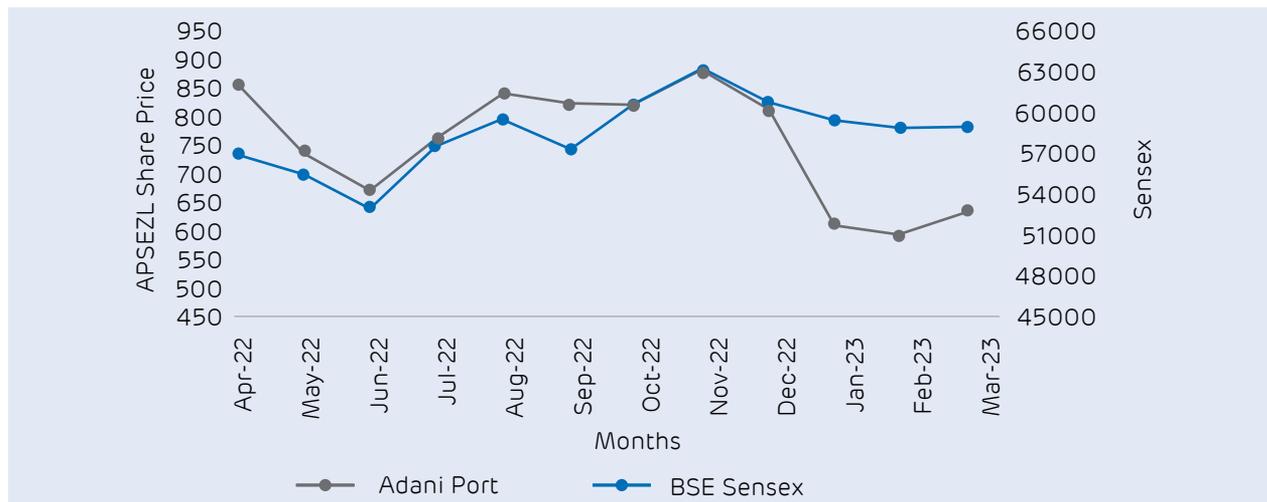
**2. Central Depository Services (India) Limited (CDSL)**

25<sup>th</sup> Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai – 4000 013.

Annual listing fees of BSE and NSE and annual custody/issuer fee of NSDL and CDSL for FY 2023-24 are paid to respective agencies.

**h) Market Price Data:**

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2022	924.65	774.10	1,04,82,605	924.65	774.50	18,96,47,877
May, 2022	865.00	668.30	64,75,414	864.20	668.15	14,07,48,278
June, 2022	762.00	653.20	26,09,615	758.50	653.10	7,67,22,247
July, 2022	775.50	656.05	32,30,027	775.65	656.00	6,06,85,265
August, 2022	891.95	765.05	79,05,958	891.90	765.05	14,36,82,882
September, 2022	987.90	801.00	90,45,539	987.85	801.00	19,74,71,660
October, 2022	835.00	771.60	69,83,931	835.00	771.65	11,47,21,617
November, 2022	916.00	823.55	87,39,180	916.00	823.50	16,32,79,545
December, 2022	912.05	785.10	38,19,022	912.00	785.30	10,86,63,134
January, 2023	826.50	536.85	97,99,760	826.75	537.00	23,10,70,475
February, 2023	630.00	394.95	4,02,31,537	629.00	395.10	54,98,32,517
March, 2023	722.80	571.35	2,59,28,070	722.75	571.55	34,81,21,442

**i) Performance in comparison to broad-based indices such as BSE Sensex:****j) Registrar & Transfer Agent:**

Link Intime India Pvt. Ltd. is appointed as Registrar and Transfer (R&T) Agent of the Company for both Physical and Demat Shares. The registered office address is given below:

C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083

Tel: +91-22-4918 6270 | Fax: +91-22-4918 6060

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) | Website: [www.linkintime.co.in](http://www.linkintime.co.in)

The Shareholders are requested to correspond directly with the R&T Agent for transfer/transmission of shares, change of address, queries pertaining to their shares, dividend etc.

**k) Transfer to Investor Education and Protection Fund (IEPF):**

In terms of the Section 125 and 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividend amount that remains unclaimed for a period of seven years or more is required to be transferred to the IEPF administered by the Central Government, along with the corresponding shares to the demat account of IEPF Authority.

During the year under review, the unclaimed dividend amount for the year 2014-15 (final) and for the year 2015-16 (interim) along with corresponding shares was transferred to the IEPF established by the Central Government under applicable provisions of the Act.

The Company had communicated to all the concerned shareholders individually whose dividend and shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements, before such transfer in favour of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

The shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the IEPF Rules. Shareholders may refer Rule 7 of the said IEPF Rules for refund of shares / dividend etc.

**l) Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Board has delegated the authority for approving transfer, transmission etc to the Stakeholders' Relationship Committee.

The Company obtained following certificate(s) from a Practising Company Secretary and submitted the same to the stock exchanges within stipulated time:

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for the year ended 31<sup>st</sup> March 2023 with the Stock Exchanges; and
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agent of the Company.

**m) Shareholding as on 31<sup>st</sup> March 2023:****(a) Distribution of Shareholding as on 31<sup>st</sup> March 2023:**

No. of shares	Equity Shares in each category		Number of shareholders	
	Total Shares	% of total	Holders	% of total
1-500	49,742,645	2.30	1,095,483	97.79
501-1000	10,180,798	0.48	13,534	1.20
1001-2000	8,506,747	0.40	5,850	0.52
2001-3000	4,485,260	0.20	1,776	0.15
3001-4000	2,775,328	0.12	783	0.08
4001-5000	2,767,745	0.13	593	0.06
5001-10000	6,940,633	0.33	978	0.08
10001 & above	2,074,739,789	96.04	1,309	0.12
<b>Total</b>	<b>2,160,138,945</b>	<b>100.00</b>	<b>1,120,306</b>	<b>100.00</b>

**(b) Category wise Shareholding Pattern as on 31<sup>st</sup> March 2023:**

Category	Total No. of Shares	% of holding
Promoter and Promoter Group	131,83,14,567	61.03
Foreign Institutional Investors / Portfolio Investor	38,85,97,716	17.99
Insurance Companies	20,65,56,357	9.56
Mutual Funds/Banks/Financial Institutions	6,84,14,369	3.17
NRI/Foreign Nationals	34,67,079	0.16
IEPF/Clearing Member	5,41,349	0.02
Bodies Corporate	4,58,97,142	2.12
Indian Public and others	12,83,50,366	5.94
<b>Total</b>	<b>216,01,38,945</b>	<b>100.00</b>

**n) Dematerialization of Shares and Liquidity:**

The Equity Shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The demat security (ISIN) code for the equity share is INE742F01042.

The equity shares of the Company representing 99.99% of the Company's share capital are dematerialized as on 31<sup>st</sup> March 2023.

The Company's shares are regularly traded on the BSE Limited and National Stock Exchange of India Limited.

**o) Listing of Debt Securities:**

The Rated, Listed, Secured, Redeemable, Non-Convertible Debentures issued on private placement basis by the Company are listed on the Wholesale Debt Market (WDM) of BSE Limited.

**p) Debenture Trustees (for privately placed debentures):****IDBI Trusteeship Services Ltd.**

Universal Insurance Building,  
Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001  
Phone No. +91-22-4080 7000  
Fax: +91-22-6631 1776  
E-mail ID: itsl@idbitrustee.com  
Website: www.idbitrustee.com

**q) Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion and likely impact on equity:**

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at 31<sup>st</sup> March, 2023.

**r) Commodity Price Risk/Foreign Exchange Risk and Hedging:**

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. The Company manages its exposure to these risks through derivative financial instruments. The Company's risk management activities are subject to the management, direction and control of Treasury Team of the Company under the framework of Risk Management Policy for Currency and Interest rate risk, as approved by the Board. The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

**s) Site location:**

Mundra Port	"Adani House", Navinal Island, Mundra, Dist. Kutch, Gujarat.
Dahej Port	Adani Petronet (Dahej) Port Ltd. At & Po Lakhigam, Taluka Vagra, Bharuch, Gujarat.
Hazira Port	Adani Hazira Port Ltd. At & PO Hazira, Taluka Choryasi, Dist. Surat, Gujarat.
Dhamra Port	The Dhamra Port Company Ltd. AT/PO-Dosinga, Dist. Bhadrak, Odisha, Bhubaneshwar.
Ennore Port	Adani Ennore Container Terminal Pvt. Ltd. C/o. Kamarajar Port, Vallur Post, Ponneri Taluka, Dist. Thiruvalluvar, Tamil Nadu.

Kattupalli Port	Marine Infrastructure Developer Pvt. Ltd. (Kattupalli Port), Kattupalli Village, Ponneri Taluka, Dist. Thiruvalluvar, Tamil Nadu.
Krishnapatnam Port	Adani Krishnapatnam Port Ltd. PO Bag No 1, Muthukur Mandal, Dist. SPSR Nellore, Andhra Pradesh
Murmugao Terminal	Adani Murmugao Port Terminal Pvt. Ltd. Sub Station Building, Near Gate No. 2 of Mormugao Port Trust, Mormugao, Goa
Tuna Terminal	Adani Kandla Bulk Terminal Pvt. Ltd. Tuna KPT Custom Building, Village Tuna, Dist. Kutch, Gujarat
Vizhinjam Port	Adani Vizhinjam Port Pvt. Ltd. Mulloor PO, Vizhinjam, Thiruvananthapuram, Kerala
Gangavaram Port	Adani Gangavaram Port Ltd. Pedagantyada Mandal, Post Gangavaram, Visakhapatnam – 530044, Andhra Pradesh, India
Dighi Port	Dighi Port Ltd. At & Po Dighi, Taluka- Shrivardhan District: Raigad – Maharashtra.
Karaikal Port	Karaikal Port Pvt. Ltd. Keezha Vanjore, T R Pattinam, Karaikal.

#### t) Address for Correspondence:

Mr. Kamlesh Bhagia,  
Company Secretary & Compliance Officer  
Adani Ports and Special Economic Zone Limited  
Adani Corporate House, Shantigram, Near Vaishno  
Devi Circle, S. G. Highway, Khodiyar, Ahmedabad –  
382421.  
Tel.: +91-79-2656 5555  
Fax: +91-79-2656 5500  
E-mail: investor.apsezl@adani.com

For transfer/dematerialization of shares, change of  
address of members and other queries.

Link Intime India Pvt. Ltd.  
C-101, 247 Park, L B S Marg, Vikhroli West,  
Mumbai - 400083  
Tel.: +91-22-4918 6270  
Fax.: +91-22-4918 6060  
E-mail: rnt.helpdesk@linkintime.co.in

#### u) Rating:

##### International Rating

Rating Agency	Facility	Rating/Outlook
Standard & Poor's	Long-term Foreign Currency Issuer Credit Rating	BBB -/ Negative
Moody's	Long-term Foreign Currency Issuer Rating	Baa3 / Stable
Fitch	Long-term Foreign Currency Issuer Default Rating	BBB - / Stable

##### Domestic Rating

Rating Agency	Facility	Rating/Outlook
ICRA	Long Term Facility and Short Term Facility	AA+ /Negative and A1+
India Rating	Long Term Facility and Short Term Facility	AA+ /Stable and A1+

#### v) Non-mandatory Requirements:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

##### 1. The Board:

The Company has an Executive Chairman and hence, the need for implementing the non-mandatory requirement i.e., maintaining a chairperson's office at the Company's expense and allowing reimbursement of expenses incurred in performance of his duties, does not arise.

##### 2. Shareholders Right:

The quarterly, half-yearly and annual financial results of the Company are published in newspapers and posted on Company's website [www.adaniports.com](http://www.adaniports.com). The same are also available on the websites of stock exchanges, where the shares of the Company are listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

##### 3. Modified opinion(s) audit report:

The Statutory and Secretarial Auditors' modified opinion has been appropriately dealt with in Note No. 47 and 48 of the Standalone Financial Statements and Note No. 40(ii) and 58 of the Consolidated Financial Statements.

#### 4. Separate posts of Chairperson and Chief Executive Officer:

Mr. Gautam S. Adani is the Chairman and Mr. Karan Adani is the Whole Time Director & CEO of the Company. Both these positions have distinct and well-articulated roles and responsibilities.

#### 5. Reporting of Internal Auditor:

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

#### 9. Other Disclosures:

##### a) Disclosure on materially significant related party transactions:

There were no materially significant Related Party Transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Integrated Annual Report.

The Related Party Transaction Policy is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

The Register under Section 189 of the Companies Act, 2013 is maintained and particulars of the transactions have been entered in the Register, as applicable.

b) In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

##### c) Details of compliances

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

##### d) CEO/CFO Certificate

In compliance with Regulation 17(8) of SEBI Listing Regulations, the WTD & CEO and CFO of the Company have furnished a Certificate to the Board, for the year ended on 31<sup>st</sup> March, 2023. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of SEBI Listing Regulations.

- e) The uses/application of proceeds/funds raised from Rights Issue, Preferential Issue as part of the quarterly review of financial results as applicable.
- f) The designated Senior Management Personnel of the Company have not done any material, financial and commercial transactions in which they have personal interest that may have a potential conflict with the interest of the Company at large.
- g) The Company has adopted Material Events Policy which is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.
- h) The Company has in place an Information Security Policy that ensure proper utilization of IT resources.
- i) As a part of good governance practice, the Company has also adopted several policies from ESG perspective and the same are available on the Company's website.
- j) Details of the familiarization programmes imparted to the independent directors are available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.
- k) With a view to regulate trading in securities by the Directors and Designated Employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading (Code). The Code also covers the policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI) or suspected leak of UPSI. The Code is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.
- l) The Company has put in place succession plan for appointment to the Board and to Senior Management.
- m) The Company complies with all applicable secretarial standards.
- n) Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable.
- o) The details of loans and advances by the Company and its subsidiaries in the nature of loans to firms/companies in which Directors are interested are provided in Note 38 of the standalone financial statements of the Company.
- p) During the year under review, the Company did not raise any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

**q) Details of the Company's material subsidiary (as per Regulation 16 of the SEBI Listing Regulations):**

Name	Date of Incorporation	Place of incorporation	Statutory Auditor	Date of appointment of Statutory Auditor
Adani Krishnapatnam Port Ltd.	15.03.1996	Hyderabad	Deloitte Haskins & Sells LLP	09.05.2022
The Dhamra Port Company Ltd.	10.09.1998	Bhubaneshwar		09.05.2022
The Adani Harbour Service Ltd.	02.09.2009	Ahmedabad		10.05.2022
Adani Logistics Ltd.	13.07.2005	Ahmedabad		04.05.2017
Adani Hazira Port Ltd.	07.12.2009	Ahmedabad		11.05.2017

- r) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from CS Ashwin Shah, Practising Company Secretary, and the same is attached to this Report.
- s) As required under Regulation 36(3) of the SEBI Listing Regulations, the particulars of Director seeking re-appointment at the ensuing AGM are given in the Annexure to the Notice of the 24<sup>th</sup> Annual General Meeting to be held on 8<sup>th</sup> August, 2023.
- t) The Company has obtained a certificate from CS Ashwin Shah, Practising Company Secretary confirming that none of the Directors of the Company is debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this Report.
- u) The Company has not made any contributions to / spending for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups.
- v) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm / network entity of which the Statutory Auditor is a part, is given below:

**M/s. Deloitte Haskins & Sells LLP**

(₹ in crore)

Payment to Statutory Auditor	FY 2022-23
Audit Fees	5.13
Limited Review	1.53
Certification Fees	0.38
Reimbursement of Expenses	0.07
<b>Total</b>	<b>7.11</b>

## Declaration

[Regulation 34(3) read with Schedule V (Part D) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Karan Adani, Whole-Time Director & CEO of Adani Ports and Special Economic Zone Limited hereby declare that as of 31<sup>st</sup> March, 2023, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Board of Directors and Senior Management Personnel laid down by the Company.

For Adani Ports and Special Economic Zone Limited

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

**Karan Adani**  
*Whole-Time Director & CEO*  
DIN: 03088095

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## Certificate on Corporate Governance

To,  
The Members of  
**Adani Ports and Special Economic Zone Limited**

I have examined the compliance of Corporate Governance by Adani Ports and Special Economic Zone Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2023 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

**CS Ashwin Shah**  
*Company Secretary*

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

C.P.No. 1640  
Quality Reviewed 2021  
PRC:1930/2022  
UDIN: F001640E000425241

# Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Adani Ports and Special Economic Zone Limited**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Adani Ports and Special Economic Zone Limited having CIN L63090GJ1998PLC034182 and having registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad -382421 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority .

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Gautam S. Adani	00006273	26/05/1998
2.	Mr. Rajesh S. Adani	00006322	26/05/1998
3.	Mr. Bharat Sheth	00022102	15/10/2019
4.	Dr. Malay Mahadevia	00064110	20/05/2009
5.	Prof. G. Raghuram	01099026	14/05/2012
6.	Mr. P. S. Jayakumar	01173236	23/07/2020
7.	Mr. G. K. Pillai	02340756	19/10/2012
8.	Mr. Karan Adani	03088095	24/05/2017
9.	Mrs. Nirupama Rao	06954879	22/04/2019
10.	Mr. Ranjitsinh B. Barad, IAS	07559958	21/12/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**CS Ashwin Shah**  
Company Secretary

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

C.P.No. 1640  
Quality Reviewed 2021  
PRC:1930/2022  
UDIN: F001640E000425272

## Chief Executive Officer and Chief Financial Officer Certification

To,  
The Board of Directors

**Adani Ports and Special Economic Zone Limited**

We, Karan Adani, Whole Time Director & CEO and D. Muthukumaran, Chief Financial Officer of Adani Ports and Special Economic Zone Limited ("the Company"), to the best of our knowledge and belief, hereby certify that;

- a) We have reviewed the financial statements and the cash flow statements of the Company for the year ended 31<sup>st</sup> March, 2023 and:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2023, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company and we have:
  - i) designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - ii) designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements of external purpose in accordance with Indian Accounting Standards (Ind AS);
  - iii) evaluated the effectiveness of the Company's disclosure, controls and procedure;
  - iv) disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonable likely to materially affect, the Company's internal control over financial reporting.
- d) We have indicated to the Auditors and the Audit Committee, wherever applicable:
  - i) significant changes, if any, in internal control over financial reporting during the year;
  - ii) all significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements;
  - iii) there have been no instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

**Karan Adani**  
*Whole Time Director & CEO*  
DIN: 03088095

**D. Muthukumaran**  
*Chief Financial Officer*

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURE

### I. Details of the listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L63090GJ1998PLC034182
2	Name of the Listed Entity	Adani Ports & Special Economic Zone Ltd. (APSEZL)
3	Year of incorporation	1998
4	Registered office address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat
5	Corporate address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat
6	E-mail	investor.apsezl@adani.com
7	Telephone	+91 79 – 26565555
8	Website	www.adaniports.com
9	Financial year for which reporting is being done	April 1, 2022 to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	Paid up Equity Capital ₹432.03 Cr. Paid up Preferential Capital ₹166.53 Cr.
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Charanjit Singh Head – ESG & IR Email: charanjit.singh@adani.com Phone: 079 – 25557712
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report made on consolidated basis

### II. Products and Services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Transport and storage	Services incidental to land, water & air transportation	100

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Cargo handling incidental to water transport	52242	100

### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants*	Number of offices	Total
National	46	1	47
International	2	0	2

\*(including under-construction locations)

17. Markets served by the entity:

a. Locations	Number
National (No. of States)	28
International (No. of Countries)	2

#### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable. We are not a manufacturing entity. We are a service providing company; in the business of managing cargo at the port and providing end to end logistics services.

#### c. A brief on types of customers:

APSEZL primarily serves B2B customers handling cargos, from dry cargo, liquid cargo, crude to containers. APSEZL provides integrated services in the ports, logistics and SEZ segment. It has a diverse range of customers, including businesses in the industrial, manufacturing, servicing, and agricultural sectors as well as those in the shipping, container handling, freight forwarding, oil and gas, and agricultural industries. These customers range from local companies to transnational corporations. Additionally, Adani also serves to government entities, institutions, and individuals.

Its subsidiary, Adani Logistics Limited (ALL), operates inland container depots, ALL is a diversified end-to-end logistics service provider with expertise in handling varied customers across segments like Retail, Industrial, Container, Bulk, Break-Bulk, Liquids, Auto and Grain Handling. Another subsidiary, Adani Agri Logistics Limited (AALL), provides storage infrastructure (silos) build for agricultural produce by agri-logistics and is certified with Food Safety Management systems (ISO 22000:2018).

### IV. Employees

18. Details as at the end of Financial Year

#### 1. Employees (including differently abled):

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>					
Permanent (D)	2503	2439	97	64	3
Other than Permanent (E)	91	86	95	5	5
<b>Total Employees (D+E)</b>	<b>2594</b>	<b>2525</b>	<b>97</b>	<b>69</b>	<b>3</b>
<b>WORKERS</b>					
Permanent (F)	456	453	99	3	1
Other than Permanent (G)	2	1	50	1	50
<b>Total Workers (F+G)</b>	<b>458</b>	<b>454</b>	<b>99</b>	<b>4</b>	<b>1</b>

2. Differently abled Employees and workers:

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>					
Permanent (D)	5	5	100	0	0
Other than Permanent (E)	0	0	0	0	0
<b>Total Differently abled employees (D+E)</b>	<b>5</b>	<b>5</b>	<b>100</b>	<b>0</b>	<b>0</b>
<b>WORKERS</b>					
Permanent (F)	0	0	0	0	0
Other than Permanent (G)	0	0	0	0	0
<b>Total differently abled Workers (F+G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

19. Participation/Inclusion/Representation of women

	Total (A)	Percentage of Females	
		Number (B)	Percentage of Females % (B/A)
Board of Directors	10	1	10
Key Management Personnel	3	0	0

20. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employee	12.82%	0.36%	13.18%	12%	0	12%	-	-	-
Permanent Workers	5%	0	5%	4%	0	4%	-	-	-

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

21. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Adani Petronet (Dahej) Port Ltd.	Subsidiary	74%	Yes
2	The Adani Harbour Services Ltd. ("TAHSL")	Subsidiary	100%	Yes
3	Ocean Sparkle Ltd. ("OSL")	Subsidiary	98.52% (74.21% by TAHSL + 24.31% by Savi Jana)	Yes
4	Savi Jana Sea Foods Pvt. Ltd. ("Savi Jana")	Subsidiary	100% (TAHSL)	Yes
5	Sea Sparkle Harbour Service Ltd.	Subsidiary	100% (OSL)	Yes
6	Sparkle Port Service Ltd.	Subsidiary	100% (OSL)	Yes
7	Sparkle Terminal & Towage Service Ltd.	Subsidiary	100% (OSL)	Yes
8	Adani Hazira Port Ltd. ("AHPL")	Subsidiary	100%	Yes
9	Adani Logistics Ltd. ("ALL")	Subsidiary	100%	Yes

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
10	Adani Murmugao Port Terminal Pvt. Ltd.	Subsidiary	100%	Yes
11	Adani Ennore Container Terminal Pvt. Ltd.	Subsidiary	100%	Yes
12	Adani Vizag Coal Terminal Pvt. Ltd.	Subsidiary	100%	Yes
13	Adani Kandla Bulk Terminal Pvt. Ltd.	Subsidiary	100%	Yes
14	Adani Vizhinjam Port Pvt. Ltd.	Subsidiary	100%	Yes
15	Shanti Sagar International Dredging Ltd.	Subsidiary	100%	Yes
16	The Dhamra Port Company Ltd. ("DPCL")	Subsidiary	100%	Yes
17	Karnavati Aviation Pvt. Ltd.	Subsidiary	100%	Yes
18	Karaikal Port Pvt. Ltd.	Subsidiary	100%	Yes
19	Marine Infrastructure Developer Pvt Ltd. ("MIDPL")	Subsidiary	97%	Yes
20	Adani Kattupalli Port Ltd.	Subsidiary	100%	Yes
21	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	Subsidiary	55%	Yes
22	Mundra International Airport Pvt. Ltd.	Subsidiary	100%	Yes
23	Adani Warehousing Services Pvt. Ltd.	Subsidiary	100%	Yes
24	Adani Hospitals Mundra Pvt. Ltd.	Subsidiary	100%	Yes
25	Madurai Infrastructure Pvt. Ltd.	Subsidiary	100%	Yes
26	HDC Bulk Terminal Ltd.	Subsidiary	100%	Yes
27	Adani Aviation Fuels Ltd.	Subsidiary	100%	Yes
28	Adani Ports Technologies Pvt. Ltd. (Formerly, Mundra International Gateway Terminal Pvt. Ltd.) ("APTPL")	Subsidiary	100%	Yes
29	EZR Technologies Pvt. Ltd.	Joint Venture	51% (APTPL)	Yes
30	Tajpur Sagar Port Ltd.	Subsidiary	100%	Yes
31	Mundra Crude Oil Terminal Pvt. Ltd. (Formerly, Adani Bhavanapadu Port Pvt. Ltd.)	Subsidiary	100%	Yes
32	Adani Tracks Management Services Pvt. Ltd. (Formerly, Sarguja Rail Corridor Pvt. Ltd.)	Subsidiary	100%	Yes
33	Adani Container Terminal Ltd. (Formerly, Adani Pipelines Pvt. Ltd.)	Subsidiary	100%	Yes
34	Adani Gangavaram Port Ltd.	Subsidiary	100%	Yes
35	Adani Container Manufacturing Ltd. (Formerly, Adani Cargo Logistics Ltd.)	Subsidiary	100%	Yes
36	Adani Bulk Terminals (Mundra) Ltd. (Formerly, Adani Agri Logistics (Bathinda) Ltd.)	Subsidiary	100%	Yes

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
37	Dighi Port Ltd. ("DPL")	Subsidiary	100%	Yes
38	Dighi Roha Rail Ltd.	Joint Venture	50% (DPL)	Yes
39	Aqua Desilting Pvt. Ltd.	Subsidiary	100%	Yes
40	Adinath Polyfills Pvt. Ltd.	Subsidiary	100%	Yes
41	Gangavaram Port Services (India) Private Limited	Subsidiary	100%	Yes
42	Adani Krishnapatnam Port Ltd. ("AKPL")	Subsidiary	100%	Yes
43	Adani Krishnapatnam Container Terminal Pvt. Ltd.	Subsidiary	100% (AKPL)	Yes
44	Adani KP Agriwarehousing Pvt. Ltd.	Joint Venture	74% (AKPL)	Yes
45	Seabird Distriparks (Krishnapatnam) Pvt. Ltd.	Subsidiary	100% (AKPL)	Yes
46	Hazira Infrastructure Ltd.	Subsidiary	100% (AHPL)	Yes
47	Adani Agri Logistics Ltd. ("AALL")	Subsidiary	100% (ALL)	Yes
48	Adani Agri Logistics (Dahod) Ltd.	Subsidiary	100% (ALL)	Yes
49	Adani Agri Logistics (Samastipur) Ltd.	Subsidiary	100% (ALL)	Yes
50	Adani Agri Logistics (Darbhanga) Ltd.	Subsidiary	100% (ALL)	Yes
51	Blue Star Realtors Ltd.	Subsidiary	100% (ALL)	Yes
52	Dermot Infracon Pvt. Ltd.	Subsidiary	100% (ALL)	Yes
53	Adani NYK Auto Logistics Solutions Pvt. Ltd.	Joint Venture	51% (ALL)	Yes
54	Dhamra Infrastructure Pvt. Ltd.	Subsidiary	100% (DPCL)	Yes
55	Shankheshwar Buildwell Pvt. Ltd.	Subsidiary	100% (ALL)	Yes
56	Sulochana Pedestal Pvt. Ltd. ("SPPL")	Subsidiary	100% (ALL)	Yes
57	Adani Forwarding Agent Pvt. Ltd.	Subsidiary	100% (ALL)	Yes
58	AYN Logistics Infra Pvt. Ltd. (Formerly, AYN Holdings and Investments Pvt. Ltd.)	Subsidiary	100% (ALL)	Yes
59	Adani Logistics Services Pvt. Ltd. ("ALSPL")	Subsidiary	98.39% (ALL)	Yes
60	NRC Ltd.	Subsidiary	100% (SPPL)	Yes
61	Adani Noble Pvt. Ltd.	Subsidiary	100% (ALSPL)	Yes
62	Adani Logistics Infrastructure Pvt. Ltd.	Subsidiary	100% (ALSPL)	Yes
63	Saptati Build Estate Pvt. Ltd.	Subsidiary	100% (AALL)	Yes
64	Adani Agri Logistics (MP) Ltd.	Subsidiary	100% (AALL)	Yes
65	Adani Agri Logistics (Harda) Ltd.	Subsidiary	100% (AALL)	Yes
66	Adani Agri Logistics (Hoshangabad) Ltd.	Subsidiary	100% (AALL)	Yes
67	Adani Agri Logistics (Satna) Ltd.	Subsidiary	100% (AALL)	Yes
68	Adani Agri Logistics (Ujjain) Ltd.	Subsidiary	100% (AALL)	Yes
69	Adani Agri Logistics (Dewas) Ltd.	Subsidiary	100% (AALL)	Yes
70	Adani Agri Logistics (Panipat) Ltd.	Subsidiary	100% (AALL)	Yes

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
71	Adani Agri Logistics (Katihar) Ltd.	Subsidiary	100% (AALL)	Yes
72	Adani Agri Logistics (Kotkapura) Ltd.	Subsidiary	100% (AALL)	Yes
73	Adani Agri Logistics (Kannauj) Ltd.	Subsidiary	100% (AALL)	Yes
74	Adani Agri Logistics (Barnala) Ltd.	Subsidiary	100% (AALL)	Yes
75	Adani Agri Logistics (Moga) Ltd.	Subsidiary	100% (AALL)	Yes
76	Adani Agri Logistics (Mansa) Ltd.	Subsidiary	100% (AALL)	Yes
77	Adani Agri Logistics (Nakodar) Ltd.	Subsidiary	100% (AALL)	Yes
78	Adani Agri Logistics (Raman) Ltd.	Subsidiary	100% (AALL)	Yes
79	Adani Warehousing Ltd. (Formerly, Adani Agri Logistics (Borivali) Ltd.)	Subsidiary	100% (AALL)	Yes
80	Adani Agri Logistics (Dhamora) Ltd.	Subsidiary	100% (AALL)	Yes
81	Adani Agri Logistics (Sandila) Limited	Subsidiary	100% (AALL)	Yes
82	Adani Agri Logistics (Gonda) Limited	Subsidiary	100% (AALL)	Yes
83	Adani Agri Logistics (Chandari) Limited	Subsidiary	100% (AALL)	Yes
84	Adani Agri Logistics Kathiar Two Limited	Subsidiary	100% (AALL)	Yes
85	PU Agri Logistics Limited	Subsidiary	100% (AALL)	Yes
86	BU Agri Logistics Limited	Subsidiary	100% (AALL)	Yes
87	HM Agri Logistics Limited	Subsidiary	100% (AALL)	Yes
88	Abbot Point Operations Pty Ltd., Australia ("APOPL")	Subsidiary	100%	Yes
89	Abbot Point Bulkcoal Pty Ltd., Australia	Subsidiary	100% (APOPL)	Yes
90	Coastal International Terminals Pte Ltd (Formerly, Adani International Terminals Pte. Ltd.), Singapore ("CITPL")	Subsidiary	100%	Yes
91	Adani Yangon International Terminal Company Ltd, Myanmar	Subsidiary	100% (CITPL)	Yes
92	Anchor Port Holding Pte Ltd. (Formerly, Adani Mundra Port Holding Pte. Ltd.), Singapore ("APHPL")	Subsidiary	100%	Yes
93	Noble Port Pte Ltd., Singapore (Formerly, Adani Abbot Port Pte Ltd., Singapore)	Subsidiary	100% (APHPL)	Yes
94	Pearl Port Pte Ltd., Singapore (Formerly, Adani Mundra Port Pte Ltd., Singapore)	Subsidiary	100% (APHPL)	Yes
95	Adani Bangladesh Ports Private Limited, Bangladesh	Subsidiary	100%	Yes
96	Adani International Ports Holdings Pte Ltd, Singapore ("AIPH")	Subsidiary	100%	Yes
97	Colombo West International Terminal (Private) Ltd., Srilanka	Subsidiary	51% (AIPH)	Yes

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
98	Mediterranean International Ports A.D.G.D Ltd, Israel ("Mediterranean")	Subsidiary	70%	Yes
99	Haifa Port Company Ltd.	Subsidiary	100%	Yes
100	Sparkle Overseas Pte Ltd. ("SOPL")	Subsidiary	100% (OSL)	Yes
101	Khimji Sparkle Marine Services, SAOC	Subsidiary	49% (SOPL)	No
102	The Adani Harbour International DMCC, UAE	Subsidiary	100% (TAHSL)	Yes
103	Port Harbour Services International Pte. Ltd, Singapore	Subsidiary	100% (TAHSL)	Yes
104	Adani International Container Terminal Pvt. Ltd.	Joint Ventures	50%	Yes
105	Adani CMA Mundra Terminal Pvt. Ltd.	Joint Ventures	50%	Yes
106	Adani Total Pvt. Ltd. (ATPL)	Joint Ventures	50% of ALL	Yes
107	Dhamra LNG Terminal Pvt. Ltd.	Joint Ventures	100% of ATPL	Yes
108	Dholera Infrastructure Pvt. Ltd. (DIPL)	Subsidiary	49%	No
109	Mundra LPG Terminal Pvt. Ltd.	Subsidiary	48.97%	No
110	Dholera Port and Special Economic Zone Ltd.	Subsidiary	100% of DIPL	Yes
111	Mundra Solar Technopark Pvt. Ltd.	Subsidiary	38.95% of ALL	No
112	IndianOil Adani Ventures Ltd. (IOTL) (Formerly, IndianOil Tanking Ltd.)	Associate company	49.38%	No
113	IOT Utkarsh Ltd.	Associate company	100% (IOTL)	Yes
114	IOT Engineering Projects Ltd.	Associate company	100% (IOTL)	Yes
115	IOT Engineering & Construction Services Ltd.	Associate company	100% (IOTL)	Yes
116	IOT Infrastructures Pvt. Ltd.	Associate company	100% (IOTL)	Yes
117	IOT Biogas Pvt. Ltd.	Associate company	100% (IOTL)	Yes
118	Kazakhstan Caspishelf India Pvt. Ltd.	Associate company	100% (IOTL)	Yes
119	IOT Utkal Energy Services Ltd.	Associate company	71.57% (IOTL)	Yes
120	Stewarts & Lloyds of India Ltd.	Associate company	55.46% (IOTL)	Yes
121	Zuari Indian Oiltanking Pvt. Ltd.	Associate company	50.00% (IOTL)	Yes
122	Kateon Natie IOT Pvt. Ltd.	Associate company	49.00% (IOTL)	No
123	IOT Vito Muhendislik Insaat ve Taahhut AS, Turkey	Associate company	70.00% (IOTL)	Yes
124	Indian Oiltanking Engineering & Construction Services LLC, Oman	Associate company	70.00% (IOTL)	Yes
125	PT IOT EPC Indonesia	Associate company	66.70% (IOTL)	Yes
126	JSC Kazakhstancapishelf	Associate company	56.70% (IOTL)	Yes

**VI. CSR Details**

	Response
22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (in ₹)*	₹20,852 Cr. (FY23)
(iii) Net worth (in ₹)	₹46,922 Cr.

\*Revenue from operations

**VII. Transparency and Disclosures Compliances**

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	Current Financial Year FY 22-23			Current Financial Year FY 21-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any	0	0	N/A	0	0	N/A
Investors (other than shareholders)	Yes <a href="https://scores.gov.in/scores/Welcome.html">https://scores.gov.in/scores/Welcome.html</a>	9	1	The unresolved complaint was resolved on 5 <sup>th</sup> April 2023	9	0	N/A
Shareholders	Yes	0	0	N/A	9	0	N/A
Employees and workers	Yes <a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf</a>	0	0	N/A	0	0	N/A
Customers	Yes	0	0	N/A	10	2	N/A
Value Chain Partners	Yes	0	0	N/A	0	0	N/A

Other (please specify)	Nil	Nil	N/A	Nil	Nil	Nil	N/A
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24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Details of the top 3 high priority topics for APSEZL have been disclosed here. For further details on all the material topics, please refer the section on materiality assessment in Integrated Report 22-23 (page no. 111).

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/negative implications)
1	Human Rights	Risk	<p>We are committed to respecting human rights everywhere we operate and throughout our entire value chain.</p> <p>Any deviation from Human Rights policy can lead to imposition of fines and legal actions. Being complicit in human rights risk violations could negatively impact APSEZ's reputation and can also affect our ability to attract talent.</p>	<p>APSEZL human rights strategy for our business and suppliers is aligned with the United Nations (UN) Guiding Principles on Business and Human Rights and focuses on:</p> <ul style="list-style-type: none"> <li>▪ Embedding human rights policies into our business</li> <li>▪ Implementing due diligence processes to identify, prevent, mitigate, and account for human rights impacts due to our business operations and our supply chain.</li> <li>▪ Providing remedial actions when needed</li> <li>▪ Communicating transparently with our stakeholders about our processes and actions</li> </ul> <p>Engaging constructively with employees, suppliers, local communities, governments, non-governmental organizations, and other stakeholders.</p>	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/negative implications)
2	Climate Change	Risk	<p>Our port operations are impacted by any natural phenomenon like cyclone, heavy rains, wind etc. Thus, without considering the impact that climate change will have on port infrastructure we will be placing our fundamental business asset at risk.</p>	<p>We have set our road map to achieve Carbon Neutrality by 2025 and achieve net zero emissions afterward. Our strategies for mitigating these climate-related risks include:</p> <ul style="list-style-type: none"> <li>▪ Reduce energy intensity by 50% in 2025 from the level in 2016.</li> <li>▪ Achieve fuel-switch through electrification of equipment such as RTGs, MHCs, ITVs, and locomotives.</li> <li>▪ With a target to have 100% renewable in electricity mix by 2025, we plan to install around 250 MW renewable capacity.</li> </ul> <p>APSEZL has conducted a Climate Change Vulnerability Risk Assessment of the infrastructure related to port operations. A broad Adaptation Plan was developed to address the significant climate risks through adaptation measures for each of the 4 most vulnerable ports.</p>	Negative
3	Biodiversity and Land Use	Risk	<p>We recognize that our operations are likely to cause adverse effects on the marine ecosystem and land utilization. Therefore, it is imperative that we take measures to mitigate the intensity and extent of these impacts. If we fail to address the risks associated with biodiversity and land use, it could harm our image, market position, and financial well-being.</p>	<p>APSEZL is committed towards protecting biodiversity in our operations with an aim to achieve overall Net Positive Impact (NPI) on biodiversity by 2050.</p> <p>APSEZL has prepared location specific Biodiversity Management Plans for Mundra, Dhamra, Hazira and Vizhinjam, developed as per IFC Performance Standards and the Equator Principles.</p>	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/negative implications)
				<ul style="list-style-type: none"><li>▪ By 2025, we have committed to achieve 1200 ha of terrestrial plantation and 5000 ha of mangrove afforestation.</li><li>▪ At APSEZL, Natural Capital Action Plan (NCAP) was prepared for the Mundra and Dahej ports, based on a monitoring of three seasons of data in a year, covering terrestrial and marine flora and fauna</li></ul> <p>We have aligned our ports to Oil Spill Action plan in accordance with the National Oil Spill Disaster Contingency Plan (NOS-DCP), International Petroleum Industry Environmental Conservation Association.</p>	

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

- P1** Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
- P2** Businesses should provide goods and services in a manner that is sustainable and safe
- P3** Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4** Businesses should respect the interests of and be responsive to all its stakeholders
- P5** Businesses should respect and promote human rights
- P6** Businesses should respect and make efforts to protect and restore the environment
- P7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8** Businesses should promote inclusive growth and equitable development
- P9** Businesses should engage with and provide value to their consumers in a responsible manner

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	<a href="https://www.adaniports.com/Investors/Corporate-Governance">https://www.adaniports.com/Investors/Corporate-Governance</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> <li>▪ ISO 14001: 2015</li> <li>▪ ISO 28000:2017</li> <li>▪ ISO 9001:2015</li> <li>▪ ISO 45001: 2018</li> <li>▪ ISO 50001:2018</li> <li>▪ IFC Performance Standard</li> <li>▪ GRI</li> <li>▪ UNGC</li> <li>▪ CEO Water Mandate</li> <li>▪ IBBI &amp; IUCN</li> </ul>								

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p><b>P3: Employees:</b></p> <ul style="list-style-type: none"> <li>-Zero fatalities and Zero Incidents by 2025</li> <li>-Employee Turnover: &lt;4% Voluntary Attrition by 2025</li> <li>-5% women in the workforce by 2025</li> </ul> <p><b>P4: Stakeholder Engagement:</b></p> <ul style="list-style-type: none"> <li>-Employee Satisfaction Rate of 4.5/5 by 2025</li> <li>-Supplier Satisfaction Rate of 4.75/5 by 2025</li> <li>-Customer Satisfaction Rate of 4.75/5 by 2025</li> </ul> <p><b>P6: Energy &amp; Emission:</b></p> <ul style="list-style-type: none"> <li>-Carbon neutrality by 2025, and net zero thereafter.</li> <li>-50% Energy intensity reduction by 2025</li> <li>-60% Emission intensity reduction by 2025</li> <li>-100% RE share in total electricity by 2025</li> <li>-25% RE share in total energy by 2025</li> </ul> <p><b>P6: Water and Waste:</b></p> <ul style="list-style-type: none"> <li>-60% Water consumption intensity reduction</li> <li>-Zero waste to landfill for 12 ports by 2025.</li> <li>-Single use plastic free sites (12 Ports + 4 ICDs + 14 Silo sites) by 2025</li> <li>-Zero Unauthorized Waste Disposal (ZUWD)</li> <li>-Zero Effluent Discharge (ZED)</li> </ul> <p><b>P6: Afforestation</b></p> <ul style="list-style-type: none"> <li>-5000 Ha Mangrove afforestation by 2025</li> <li>-1200 Ha Terrestrial plantation by 2025</li> </ul> <p><b>P8: Community</b></p> <ul style="list-style-type: none"> <li>-Community based skill development Program: 100000 enrollments by 2025</li> <li>-265 Women's self-help groups by 2025</li> </ul>								

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p><b>P3: Employees:</b>  Number of fatalities in FY22-23= 2  Number of LTI = 21  Voluntary attrition rate = 10%  % of women workforce as of FY22-23= 2.39%</p> <p><b>P4: Stakeholder Engagement:</b>  Employee Satisfaction Rate in FY22-23= 4.11/5  Supplier Satisfaction Rate in FY22-23=4.25/5  Customer Satisfaction Rate in FY22-23= 4.3/5</p> <p><b>P6: Environment</b>  <b>Energy &amp; Emission:</b>  RE share in total electricity  FY23 – Target :14%  FY23 – Status :14%</p> <p>Energy intensity reduction  FY23 – Target: 45%  FY23 – Status: 46%</p> <p><b>Waste and Water:</b>  Zero waste to landfill  FY23 – Target: 6 sites  FY23 – Status :6 Sites</p> <p>Water consumption intensity reduction  FY23 – Target: 58%  FY23 – Status:60%</p> <p><b>Afforestation</b>  Mangrove afforestation  FY23 – Target: 3800 Ha.  FY23 – Status: 3990 Ha.</p> <p><b>P8: Community</b>  Number of enrollments in Community based skill development Programmes as of FY22-23=265  Number of Women’s self-help groups as of FY22-23=338</p>								

**GOVERNANCE, LEADERSHIP AND OVERSIGHT****7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements**

Please refer to (page no. 38), Integrated Report FY 2022-23 for the statement by CEO.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policies**

The Board of the Company has constituted different committees to look after different aspects of Business Responsibility, these committee oversight the policy and implementation.

i. Corporate Responsibility Committee comprising solely of the Independent Directors to oversee strategies, activities and policies including environment, social, governance, health and safety related material issue and indicators in the global context and evolving statutory framework.

Name of Member	Composition of Committee	DIN No.
Prof. G Raghuram	Chairman (Non-Executive & Independent Director)	01099026
Mr. G. K. Pillai	Member (Non-Executive & Independent Director)	02340756
Mr. P.S. Jayakumar	Member (Non-Executive & Independent Director)	01173236

ii. Nomination and Remuneration Committee comprising solely of Independent Directors to review, amend and approve all Human Resources related policies.

Name of Member	Composition of Committee	DIN No.
Mr. P.S. Jayakumar	Chairman (Non-Executive & Independent Director)	01173236
Mr. G. K. Pillai	Member (Non-Executive & Independent Director)	02340756
Mrs. Nirupama Rao	Member (Non-Executive & Independent Director)	06954879

iii. Stakeholders' Relationship Committee comprise of three members, with a majority of independent directors, it looks into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

Name of Member	Composition of Committee	DIN No.
Prof. G Raghuram	Chairman (Non-Executive & Independent Director)	01099026
Mr. G. K. Pillai	Member (Non-Executive & Independent Director)	02340756
Mr. Karan Adani	Member (Executive Director)	03088095

iv. Corporate Social Responsibility Committee comprise of four members, with a majority of independent directors, they formulate and recommend to the Board an annual action plan in pursuance to CSR Policy.

Name of Member	Composition of Committee	DIN No.
Mrs. Nirupama Rao	Chairperson (Non-Executive & Independent Director)	06954879
Mr. G. K. Pillai	Member (Non-Executive & Independent Director)	02340756
Prof. G Raghuram	Member (Non-Executive & Independent Director)	01099026
Dr. Malay Mahadevia	Member (Non-Executive Director)	00064110

**9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**

Yes, the Corporate Responsibility Committee comprising solely of the Independent Directors is responsible for decision making on sustainability related issues. The Charter of the Committee is available at: <https://www.adaniports.com/-/media/Project/Ports/Investor/board-and-committee-charters/APSEZL---Corporate-Responsibility-Committee-Charter.pdf?la=en&hash=CEFD8B0007B599E3CE429F3269D4CC27>

Name of Member	Composition of Committee	DIN No.
Prof. G Raghuram	Chairman (Non-Executive & Independent Director)	01099026
Mr. G. K. Pillai	Member (Non-Executive & Independent Director)	02340756
Mr. P.S. Jayakumar	Member (Non-Executive & Independent Director)	01173236

**10. Details of Review of each NGRBCs by the Company**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - pls specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	The performance against the policies of the Company is reviewed on a quarterly basis by department heads / director / board committees / board members, wherever applicable.								
Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Status of compliance with all applicable statutory requirements is reviewed by the Board on a quarterly basis.								

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No								

**12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated.**

All principles are covered by policies.

**SECTION C: PRINCIPLE WISE PERFORMANCE****PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE****ESSENTIAL INDICATORS****1. Percentage coverage by training and awareness programmes on any of the principles during the financial year –**

Segments	Total number of trainings and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5	<ol style="list-style-type: none"> <li>1. Deep dive discussion on Ocean Sparkle Limited</li> <li>2. Deep dive discussion on NRC Limited</li> <li>3. Overview briefing on Adani portfolio &amp; ESG update</li> <li>4. Deep dive discussion on Dhamra Port and Dhamra Port site visit</li> <li>5. ESG session</li> </ol>	80%
Key managerial Personnel	1	Holistic Wellbeing Program	33%
Employees other than BoD and KMPs	11	<ol style="list-style-type: none"> <li>1. Prevention of Sexual Harassment (POSH)</li> <li>2. Adani Code of Conduct</li> <li>3. Human Rights,</li> <li>4. Digital Transformation Workshop</li> <li>5. Conflict Management</li> <li>6. Holistic Wellbeing Program</li> <li>7. Health &amp; Safety</li> <li>8. Workplace diversity equity and inclusion</li> <li>9. Introduction to ESG</li> <li>10. Environmental Social Management</li> <li>11. Risk Management</li> </ol>	96%
Workers	6	<ol style="list-style-type: none"> <li>1. Adani Code of Conduct</li> <li>2. Holistic Wellbeing Program</li> <li>3. Health &amp; Safety</li> <li>4. Workplace diversity equity and inclusion</li> <li>5. Environmental Social Management</li> <li>6. Human Rights</li> </ol>	100%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

#### Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Amount	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty / Fine	Nil	Nil	0	Nil	Nil
Settlement	Nil	Nil	0	Nil	Nil
Compounding Fees	Nil	Nil	0	Nil	Nil

#### Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount	Brief of the Case	Has an appeal been preferred? (Yes / No)
Imprisonment	Nil	Nil	Nil	No	Nil
Punishment	Nil	Nil	Nil	No	Nil

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:**

Yes. APSEZL has an Anti-Corruption and Anti-Bribery policy (ABAC) in place (Weblink: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/AntiBribery--AntiCorruption-Guidelines.pdf>). The ABAC Policy applies to all dealings, transactions, and expenses for and on behalf of the Company. It is applicable to all the stakeholders working for or acting on behalf of the Company or any of its subsidiaries. This Policy lays out the spirit and guiding principles for all our stakeholders to ensure compliance with the applicable laws, rules, and regulations. APSEZL is committed to conducting its business with the highest standards of business ethics and integrity. A zero-tolerance approach is followed by APSEZL towards bribery, corruption, unethical practices, and breach of professional integrity. Therefore, any violation of these guidelines may have significant consequences, including action up to termination.

While conducting various business activities, it is expected by employees, managers, and business leaders to maintain the highest standards of corporate conduct and maintain long term relationships with business partners with integrity. The Company also complies with all applicable anti-money laundering laws wherever it does business, including any applicable registration and suspicious transaction reporting obligations.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	0	0
KMPS	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**LEADERSHIP INDICATORS****1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes*
2	Health & Safety, Human Rights, ESG, Policies, Code of Conduct	19

\*Includes information on suppliers' awareness programs.

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? If yes, provide details of the same.**

Yes, APSEZL has a Code of Conduct which is applicable to all the members of the Board of Directors and all the members of the Company. The code details the expectation regarding Conflict of Interest involving members of the Board. The Code is available at <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code-of-Conduct.pdf>. The members of the board and Senior management should affirm the compliance with the code on annual basis. The annual compliance report is forwarded to the Company Secretary.

As per the Code of Conduct, Directors and members of Senior Management of APSEZL should avoid conflicts of interests with the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company shall be disclosed promptly to the Company Secretary of the Company.

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE.****ESSENTIAL INDICATORS****1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D*	0	0	NA
Capex	0	0	NA

\*We are not a manufacturing entity. We are in the business of managing cargo at the port. Hence R&D is not very significant. However, Company is making substantial capital investment in the areas of renewable installation, electrification of cranes & other equipment/machinery, electrification of rail route, water conservation, wastewater and waste management, emission reduction etc. to minimize GHG emission, reduce waste, and conserve natural resources. The company is also carrying out various initiatives for community & social welfare and impact assessment is carried out to evaluate outcome of social interventions. All these actions and initiatives are to improve environmental and social impacts.

## 2. a. Does the entity have procedures in place for sustainable sourcing?

Yes. APSEZL believes that the development of its suppliers is imperative for our business growth. Therefore, the Company is committed towards the suppliers to inculcate APSEZL's Sustainable Procurement policy that focuses on - reduced use of toxic substances, conservation of natural resources, minimization of waste generation and release of pollutants/emissions, maximizing reusability and recyclability across value chain, prohibiting the use of child labour, complying with applicable wage and hour laws, ensuring safe and healthy working environment for employees/ workers, ensuring safe/ clean/ secure accommodation to employees/workers, ensuring no discrimination on basis of race/ colour/ gender/ age/ nationality/ religion/ sexual orientation/ marital status/ citizenship/ disability/ medical condition and community welfare.

The Company has systems, policies, and procedures in place for sustainable sourcing. We are guided by our Sustainable Procurement Policy <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Sustainable-Procurement-Policy.pdf> and <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Supplier-Code-of-Conduct.pdf>, which covers sustainable sourcing requirement related to development of systems & process, products, and services (including office products).

Additionally, APSEZL has established key performance indicators (KPIs) and targets for supply chain management sustainability that apply to Tier 1 suppliers. These suppliers are deemed high dependency, as they are the direct vendors with whom the Company engages in large volume transactions. Our system records and verifies all suppliers' Environment, Social, and Governance (ESG) parameters, and we provide them with the necessary knowledge to improve their ESG metrics.

## b. If yes, what percentage of inputs were sourced sustainably?

In FY 22-23, APSEZL assessed 19% of its suppliers, out of which 85% of inputs are sourced sustainably.

## 3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Being a service provider company, APSEZL doesn't have any products to reclaim for re-use and recycle. However, the Company complies with all applicable regulatory requirements pertaining to waste management. The Company has defined processes in place for managing waste at each of its operational sites/locations.

### Plastics

As per the statutory guidelines for obtaining Environmental Clearance (EC) from MoEF&CC, we are required to have Single Use Plastic (SUP) free ports. Accordingly, all our operating ports are SUP free. Other than SUP, plastic waste are reused and recycled appropriately.

### E-waste

All e-waste generated in-house is recycled or handed over to certified vendors for safe disposal.

### Hazardous Waste

- Hazardous waste is handled, segregated, stored, and transported in accordance with applicable regulatory requirements and best industry practices. Hazardous waste is disposed of in an environmentally sound manner through authorized vendors for recycling as required by regulation.
- Hazardous waste (chemicals, sludge, oil etc.) collected from incoming vessels are channelized through a separate line, which is handed over to authorized third-party dealers.

### Other Waste

APSEZL has initiated 'Zero Waste to Landfill' (ZWL) initiative for non-hazardous waste as we are committed towards responsible waste disposal practices, and we have implemented the 5R approach (Reduce, Reuse, Recycle, Recover, and Reprocess) across all our facilities. As part of the ZWL initiative Mundra, Kattupalli, Ennore, Dhamra, Goa, and Tuna sites have achieved Zero Waste to Landfill Assurance Statement.

Essential measures taken towards effective waste management are:

- We have implemented a sustainable waste management practice by recycling bio-degradable waste and using it as manure.
- Non-biodegradable waste such as paper, plastic, and scrap are sent to recyclers.
- Non-recyclable and non-recoverable dry waste (loose refused derived fuel) was sent to cement plants for co-processing.
- STP sludge was used as soil conditioner/manure.

- APSEZL has successfully accomplished its objective of establishing a single-use plastic-free port across nine of its sites as part of its commitment to the 5R's principle.
- Under the International Maritime Organization's MARPOL 73/78 convention, vessels that call at our port deliver their waste safely to our facility at a nominal charge, in alignment with the 'polluter pays' principle'.
- We continuously educate and train our employees on responsible waste disposal practices to ensure that they are aware of their roles in implementing sustainable waste management practices. In addition, we work with our customers to manage their waste through appropriate channels.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No. Owing to the nature of the Company's product/service offerings, APSEZL doesn't fall under Extended Producers Responsibility (EPR) regime under Plastic Waste Management Rules, 2016, according to which it is the responsibility of Producers, Importers and Brand-owners to ensure processing of their plastic packaging waste through recycling, re-use, or end of life disposal.

**LEADERSHIP INDICATORS**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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No, the entity has not conducted LCA for its services.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of the Product/Service	Description of the Risk/Concern	Action Taken
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Not Applicable

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Plastic Waste	6%	1%

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format**

	FY 2022-23			FY 2021-22		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastic (including packaging)	256.61	826.48	0	141.89	2.51	222.14
E-waste	0	111.31	0	44.13	6.80	0
Hazardous waste*	183.63	884.20	168.61**	2.32	774.79	137.55**
Other Waste***	2886.88	7153.27	916.02**	97.67	6239.81	1694.42**

\*Included Hazardous waste + E-waste + Biomedical Waste

\*\*Incinerated and landfill

\*\*\*Non-Hazardous Waste

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

**PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS.**  
**ESSENTIAL INDICATORS**

**1. a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	% (D/A)	No.(E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	2439	2439	100	2439	100	0	0	2439	100	0	0
Female	64	64	100	64	100	64	100	0	0	0	0
<b>Total</b>	<b>2503</b>	<b>2503</b>	<b>100</b>	<b>2503</b>	<b>100</b>	<b>64</b>	<b>3</b>	<b>2439</b>	<b>97</b>	<b>0</b>	<b>0</b>
Other than Permanent employees											
Male	86	86	100	86	100	0	0	86	100	0	0
Female	5	5	100	5	100	5	100	0	0	0	0
<b>Total</b>	<b>91</b>	<b>91</b>	<b>100</b>	<b>91</b>	<b>100</b>	<b>5</b>	<b>5</b>	<b>86</b>	<b>95</b>	<b>0</b>	<b>0</b>

**b. Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	% (D/A)	No.(E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	453	453	100	453	100	0	0	453	100	0	0
Female	3	3	100	3	100	3	100	0	0	0	0
<b>Total</b>	<b>456</b>	<b>456</b>	<b>100</b>	<b>456</b>	<b>100</b>	<b>3</b>	<b>1</b>	<b>453</b>	<b>99</b>	<b>0</b>	<b>0</b>
Other than Permanent employees											
Male	1	1	100	1	100	0	0	1	100	0	0
Female	1	1	100	1	100	1	100	0	0	0	0
<b>Total</b>	<b>2</b>	<b>2</b>	<b>100</b>	<b>2</b>	<b>100</b>	<b>1</b>	<b>50</b>	<b>1</b>	<b>50</b>	<b>0</b>	<b>0</b>

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted & deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y
Others - Pls specify	-	-	NA	-	-	NA

**3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, APSEZL is committed to delivering value through equality and to nurture and promote human diversity across its operations. At our corporate office, we have made special provisions for differently abled employees and workers in accordance with the Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone, and we acknowledge the importance of having a diverse and equitable work environment. We have designed workplaces to enable employees with disabilities to carry out their jobs. Our Corporate office has ramps at entry locations and lobbies to facilitate wheelchairs. We have dedicated toilets for differently abled employees. We have elevators with Braille signs, designed for blind people or visually impaired people. Our other locations also comply with all the national/local requirements to accommodate differently abled person and their needs. All the Company's existing and new infrastructure has implemented a comprehensive plan to address the accessibility of workplaces for differently abled employees.

Our policy on Employment of differently abled People and Diversity, and Inclusion has been developed in line with our commitment. It can be accessed at: <https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Employment-of-Differently-abled-People---Guidelines---APSEZL.pdf>

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. APSEZL is an equal opportunity employer and extends the right of equal opportunity for differently abled candidates. We promote an inclusive work culture of creating a supportive professional environment that promotes trust, empathy, and mutual respect. Our policy on Employment of Differently abled People and Diversity and Inclusion has been developed in line with our commitment.

Weblink:

[Guidelines for Employment of Differently abled people:](https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Employment-of-Differently-abled-People---Guidelines---APSEZL.pdf)

<https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Employment-of-Differently-abled-People---Guidelines---APSEZL.pdf>

[Diversity and Inclusion Guidelines:](https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Diversity-and-Inclusion-Guidelines.pdf)

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Diversity-and-Inclusion-Guidelines.pdf>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate*	Retention rate	Return to work rate*	Retention rate
Male	100	100	100	100
Female	0	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

\*No female employees/workers took parental leaves.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

Indicate product category	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

Yes, we have implemented an online Grievance Redressal system called "Speak-Up," which is exclusively for its workforce (permanent employees, permanent workers and other than permanent) to raise any concerns they may have. The system allows them to bring their concerns to the attention of the Grievance Redressal Committee (GRC), which resolves these issues within 14 working days. The grievances are resolved in a fair and time bound manner maintaining utmost confidentiality. In addition, grievance registers and complaint boxes are available

at sites/locations wherein grievances/complaints can be registered/ submitted. Workers that are engaged on a contractual basis can also report their grievances to their respective contractor representative or the company supervisor. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads.

Apart from the on-line grievance redressal platform, the Company also has a policy on prevention, prohibition, and redressal of sexual harassment of women at the workplace and has Internal Complaints Committees (ICCs) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the ICCs are responsible for conducting inquiries pertaining to such complaints.

The Company has also adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees to report concerns about unethical behavior and financial irregularities. The Company, on a regular basis, sensitizes its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programs.

#### 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The Company does not have any employee associations. However, we recognize the right to freedom of association and does not discourage collective bargaining. Three collective bargaining agreements are there in FY 2022-23 (No trade union).

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	2503	0	0	2150	0	0
Male	2439	0	0	2116	0	0
Female	64	0	0	34	0	0
<b>Total Permanent Workers</b>	456	0	0	510	0	0
Male	453	0	0	506	0	0
Female	3	0	0	4	0	0

#### 8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health & safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2525	1694	67	1432	57	2188	1495	68.3	2180	99.6
Female	69	14	20	12	17	37	28	75.7	37	100
<b>Total</b>	<b>2594</b>	<b>1708</b>	<b>66</b>	<b>1444</b>	<b>56</b>	<b>2225</b>	<b>1523</b>	<b>68.4</b>	<b>2217</b>	<b>99.6</b>
Workers										
Male	454	454	100	454	100	507	318	62.7	177	34.9
Female	4	4	100	4	100	4	2	50	1	25
<b>Total</b>	<b>458</b>	<b>458</b>	<b>100</b>	<b>458</b>	<b>100</b>	<b>511</b>	<b>320</b>	<b>62.6</b>	<b>178</b>	<b>34.8</b>

**9. Details of performance & career development reviews of employees & workers**

Category	FY 2022-23			FY 2021-22		
	Total (A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D / C)
<b>Employees</b>						
Male	2525	2428	96*	2188	2083	95*
Female	69	69	100	37	30	81*
<b>Total</b>	<b>2594</b>	<b>2497</b>	<b>96*</b>	<b>2225</b>	<b>2113</b>	<b>95*</b>
<b>Workers</b>						
Male	454	454	100	507	505	99.6*
Female	4	4	100	4	4	100
<b>Total</b>	<b>458</b>	<b>458</b>	<b>100</b>	<b>511</b>	<b>509</b>	<b>100</b>

\*Rest of the employees were not eligible for performance appraisal as per applicable service rules of the Company.

**10. Health and safety management system:****a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage such system?**

Yes, The Company has adopted and implemented the Adani Group's Safety Management System framework which is built on International Safety Standards such as ISO 45001, by integrating all critical business activities and applying principles, processes in order to provide safe and healthy workplaces across all Company's establishments, prevent work related injury and ill health, minimize risks and continuously improve safety performance. All our ports are certified with ISO 45001: 2018/ OSHAS 18001 "Management System". It is applicable to the company's entire operations/ employees as well as contractors or individuals under the company's supervision.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

- Process:** APSEZL has established and aligned globally recognized high level Safety Intervention and Risk Assessment programs such as Safety Interaction (SI), Vulnerability Safety Risks (VSR), Site Risk Field Audits (SRFA), Process Hazard Analysis (PHA), and Prestart up Safety Review (PSSR) with Business specific Integrated Management System based Hazard Identification and Risk Assessment Process (HIRA) and Job Safety Analysis (JSA). The Company has adopted this framework and the reporting businesses have developed an ecosystem of participative and consultative approach for engaging concerned stakeholders, including employees, associates, and contract workforce. The Company recognizes that the dynamic risks need to be managed and mitigated as per Hierarchy of Control to protect its stakeholders and achieve the objective of Zero Harm with enablement of Sustainable Growth. These interventions bring together an understanding of the potential upside and downside of all job and personal factors which can impact the organization with an objective to prevent injury, protect assets and add maximum sustainable value to all the activities and processes of the organization.
- Governance:** Safety Management Committee is responsible for implementing process safety by conducting risk assessment [i.e., HAZOP study, PHA, HIRA etc.] for existing system and implementation of recommendations of assessment.
- Capacity Building:** Many drives are taken across units to create awareness on identification of high-risk activities such as work at height, Confined Space, Lock Out Tag Out Try Out (LOTOTO) etc. and training on its standards. We acknowledge the fact that operations free from health risks have the potential to escalate productivity also. Hence, we have processes in place to manage and monitor health risks of employees, right from the time of their first interaction with the company. We are having OH&S management system (as per the requirement of OHSAS 45001/ ISO 18001) for managing OH&S risks related to our activities, with HIRA in place for all activities and for every significant risk, appropriate control measure is implemented as per control measures hierarchy i.e., elimination, substitution, engineering, administration & Personal Protective Equipment (PPE). Also refer to the OHS section of Integrated report for details of OHS governance, system/ process, training, performance, and related details.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, The Company uses the well-established Incident Management and Investigation System for fair and transparent reporting of work-related hazards and risks as unsafe acts/ unsafe conditions, near misses, injuries and illness and serious incidents. This is followed by a comprehensive Root Cause Failure Analysis (Investigation), formulation of corrective actions as per Hierarchy of Controls, its tracking and monitoring and subsequent closure. The outcome and learnings from these events and incidents are deployed horizontally across the Group through a systemic process of 'Critical Vulnerable Factor' (CVF) as a part of Safety Governance Process. The progress on CVF is reviewed during Adani Apex Group Safety Steering Council Meetings as well as during their Business Safety Council Meetings. To facilitate this, an advanced digital platform (GENSUITE) on OH&S Reporting has been deployed by APSEZL. The Company access this platform through its machines as well as native and lite Mobile App version Moreover, each site has suggestion boxes where employees, workers and business partners can report grievances, and suggestions for improving the safety performance. Employees and workers can also report incidents and inaction on the safety incident through a formal whistle blower portal, the details of which are displayed at each site.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, the employees and workers have access to non-occupational medical and healthcare services. We care for our employees and our business partners' health and well-being and provide them with well-equipped hospitals across locations. We have some of the best medical insurance and accident coverage policies to help employees deal with medical emergencies. Periodic health check-ups and awareness sessions for all employees are conducted regularly. Not only the physical well-being, but the mental well-being of our employees is also taken care of. We conduct several programs across locations to help employees deal with stress and maintain a healthy work-life balance. This includes medical check-ups, clinics, etc. at sites to promote healthy and fit employees. The Company ensures the presence of fully equipped emergency healthcare facilities at all its sites, prioritizing the well-being of employees and contractors. To monitor the health of individuals, comprehensive pre-employment and periodic medical assessments are conducted for all personnel.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.09	0
	Workers	0.28	0.26
Total recordable work-related injuries	Employees	7	0 (LTI)
	Workers	14	45*
No. of fatalities	Employees	0	0
	Workers	2	3
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\*(LTI-16, Fatal-3, MTC-26)

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Health and Safety of our people is of utmost importance to us. To achieve this, we have adopted a shared responsibility approach, with increased engagements at all levels of the workforce and strengthening the safety culture across all Company's businesses. We are taking steps to reduce reportable incidents, minimize injuries and regularly monitor the safety performance of our sites. Our occupational health and safety management system is also well aligned with Adani Safety Management System framework and covers all employees, contractors, business associates, visitors, and the community as well. In addition to that, all our sites are ISO 45001 (2018) certified. As a part of our strategy to prevent health and safety related incidents, we have identified two focus areas which are contractor safety management (CSM) and operational discipline. CSM procedure provides support in manpower deployment whereas the operational discipline ensures that proper measures to eliminate hazards are taken at all our sites. The safety intervention taken in FY 22-23, are described in page no. 221 of IR FY 22-23.

**13. Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	Nil	Nil	-
Health & Safety	0	0	Nil	Nil	Nil	-

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100% of our sites are assessed on Working Conditions as part of our internal compliance program which is linked to the policies.

This year as per the Group Safety guidelines, APSEZL have conducted Prestart up Safety Review (PSSR) audits across all the Applicable process safety areas. All our sites are assessed on Health & Safety parameters as part of ISO 45001 audit. The sites undergo audits and certification by third-party agencies. The Company employs the PDCA (Plan, Do, Check, Act) cycle for periodic assessment and enhancement purposes. Additionally, safety audits in accordance with the Factories Act are conducted at regular intervals.

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

All incidents are investigated thoroughly as per APSEZL Safety Guidelines on Incident Reporting & Investigation and learning is shared across sites to ensure non-occurrence of similar incidents. Also, employees and workers are encouraged to report maximum number of unsafe acts and conditions to eliminate such incidents. Please refer to IR page no. 220 for safety incidents and corrective actions taken.

**LEADERSHIP INDICATORS**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of**

**(A) Employees:** Yes, for Employees to safeguard and support them from uncertainties and during unfortunate times or distress, we have introduced 'Group Term Life Insurance' policy.

**(B) Workers:** Yes

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company monitors remittance of statutory dues by value chain partners as part of processing their bills on a regular basis with periodic audits.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 22-23	FY 21-22	FY 22-23	FY 21-22
Employees	0	0	N/A	N/A
Workers	2	3	N/A	N/A

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

Yes, subject to requirements, some of the highly qualified employees are retained as advisors after retirement. During employment, several skill upgradation programs are imparted to employees to facilitate continued employability.

**5. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed*</b>
Health and safety practices	19%
Working Conditions	0

\*Includes information on suppliers' assessment

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

The awareness training has been given to Suppliers on Health and Safety practices.

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS.****ESSENTIAL INDICATORS****1. Describe the processes for identifying key stakeholder groups of the entity.**

We have identified our relevant stakeholder groups based on factors impacting our business. Our stakeholder identification and prioritization process are based on inclusivity, materiality, and responsiveness. APSEZL identifies its stakeholders as groups and individuals, who can influence or/ are impacted by our operations/ activities, change in technology, regulations, market, and societal trends either directly or indirectly which comprise of communities, employees, supply chain partners, customers, investors, regulators, and civil society organizations for all its operational ports. We also give utmost priority to identifying Indigenous/ vulnerable people surrounding our project sites and respecting their rights to economic, social, and cultural wellbeing and development. That said, identification of stakeholders is an on-going process is in line with our Stakeholder-Engagement-Policy.pdf (adaniports.com) <https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Stakeholder-Engagement-Policy.pdf>

We proactively engage with our stakeholders on a regular basis. For long term ongoing projects, stakeholders are identified before initiation of the project, basis the geographical area of the project as well as through the baseline & need assessment that is conducted. For any new proposed project or expansion, we map and engage with all such stakeholders on a proactive basis, particularly through our CSR activities. Further, we have stakeholder management processes in place at all our locations.

Our stakeholder groups have been majorly classified as:

**Direct:** Customers, Employees, Suppliers, Investors, Shareholders, Government, Local authorities, and Neighboring Communities.

**Indirect:** Peers, Rating Agencies, Third Party Agencies, Associations, International Community, Media, Research Agencies, Citizens, and NGOs.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable and Marginalized Group (Yes/ No)</b>	<b>Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others</b>	<b>Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
Shareholders	No	Annual General Meeting, shareholder meets, email, Stock Exchange (SE) intimations, investor / analysts meet / conference calls, annual report, quarterly results, media releases, Company / SE website	Quarterly, as, and when required	<ol style="list-style-type: none"> <li>Share price appreciation, dividends, profitability, and financial stability</li> <li>Robust ESG practices, climate change risks, cyber risks</li> <li>Growth prospects</li> </ol>

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website, distributor / retailer / direct customer / achievers meet, senior leader customer meets / visits, helpdesk, conferences, joint BD plans, emails, customer surveys, reports, brochures, feedback mechanism, customer support cells	Quarterly, annually, as, and when required	<ol style="list-style-type: none"> <li>1. In surveys, customers (shipping lines) are asked to disclose their environment and health &amp; safety management systems &amp; certifications and targets on carbon reduction, waste management and water efficiency, human rights practices.</li> <li>2. Service Quality</li> <li>3. Responsiveness to needs</li> </ol>
Employees	No	Online survey, magazines, e-mails, intranet, reports, website, online grievance mechanism, one-to-one interactions, Town Hall meetings, brochures, HR communication, wellness initiatives and workshops	Continuous, weekly, monthly, quarterly, and annually	<ol style="list-style-type: none"> <li>1. Career/ performance discussion</li> <li>2. Training &amp; Awareness</li> <li>3. Identify and report human rights issues, and the awareness of various means to report any abuse</li> <li>4. Operational efficiency</li> <li>5. Health, safety, and engagement initiatives</li> </ol>
Suppliers	No	Prequalification / vetting, communication and partnership meets, plant visits, MoU and framework agreements, online survey, e-mails, ESG Assessment, vendor meet, online grievance mechanism, site visits, one-to-one interaction, reports, website and workshops	Monthly, quarterly, annually, as, and when required	<ol style="list-style-type: none"> <li>1. Quality &amp; sustainable supply</li> <li>2. Timely delivery and payments</li> <li>3. ESG consideration (sustainability, safety checks, compliances, human rights), ISO and OHSAS standards,</li> <li>4. Collaboration and digitalization opportunities</li> </ol>
Community	Yes	Community visits and projects, partnership with local charities, volunteerism, seminars / conferences, assessments & surveys, focused group discussions, one-to-one interactions, media, website, online grievance mechanism and field visits	Monthly, quarterly, annually, as, and when required	<ol style="list-style-type: none"> <li>1. Identify and prioritize the interventions required by the communities.</li> <li>2. Impact assessments of various community development projects are performed by third parties for CSR interventions undertaken.</li> <li>3. Assessments for human rights</li> <li>4. CSR activities</li> <li>5. Awareness programmes</li> </ol>

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/ No)	Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulatory authorities & rating agencies	No	Reports, website, online applications, presentation, one-to-one interaction, events, e-mails, letters, and meetings	Annually as, and when required	<ol style="list-style-type: none"> <li>1. Regulatory &amp; compliance requirements</li> <li>2. Support &amp; Feedback on business performance</li> <li>3. Sustainability topics of concern</li> </ol>

## LEADERSHIP INDICATORS

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

We recognize that consultation with the stakeholders is a continuous process and is led by Leadership from the front through regular engagements at various platforms. We have a systematic stakeholder engagement process in place. We seek interactions to respond to trends, global environment, and market requirements. This approach enables us to proactively evaluate situations. We believe that stakeholders possess the ability to influence APSEZL's decisions and in turn, be influenced by the actions of the company.

To guide our approach to stakeholder engagement, we have established Stakeholder Engagement Policy (Stakeholder engagement policy) <https://origin-webapp.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Stakeholder-Engagement-Policy.pdf>. The appointment of respective stakeholder representatives enables this exercise to be conducted more efficiently as these representatives act as a channel to enable two-way engagement between the organization and stakeholders. There is continuous dialogue with the community stakeholders which is reviewed at Business Unit levels. Also, every two years through the third-party engagement, impact, baseline and need assessment, feedback from the stakeholders is taken. In addition to this through regular engagements at various platforms there is continuous dialogue with the stakeholders and the same is also presented to the Board. Public consultations are part of the new project and expansion plans, where feedback and views of the stakeholders is considered for project design.

Board-level committee: Corporate Responsibility Committee and Stakeholder Relationship Committee is responsible for consultation between stakeholders and the Board on Sustainability Strategy and long-term goals & targets, also plays a key strategic role in all business decisions to ensure workplace safety, eliminating any potential damage to the environment, enhancing a commitment towards stakeholders, and maintaining Company's reputation as one of leading Ports company.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the input received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Business partners are encouraged to share input and feedback during various stakeholder interactions within our business. Stakeholder consultation is used to support and strengthen the Company's initiatives. Financial planning, CSR outflows, program designing, etc. has been taken up as per the materiality assessment. We engage with selected stakeholders, identified on the principles of responsibility, influence, impact and dependency. Customized questionnaires for various stakeholder categories are developed to identify areas of concern or ongoing focus desired by stakeholders. This is to facilitate consultative processes to ensure full coverage of environmental, social and governance issues as well as the involvement of the personnel and management of APSEZL to address all stakeholder queries and grievances.

The results of the materiality survey are used to identify material topics, with the highest priority for stakeholders and the biggest estimated impact on Adani Port's business in high-high and high-medium priority areas. The responses included various stakeholders, such as senior/middle management employees, contract employees, suppliers etc.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

The Company identifies the disadvantaged, vulnerable and marginalized stakeholders on an on-going basis. Any new proposed project or expansion is mapped by engaging the stakeholder proactively, specifically via CSR activities. A comprehensive stakeholder management and grievance mechanism exists at all our locations. Company engages with the disadvantaged, vulnerable and marginalized stakeholders through various CSR programs with an aim to empower women and make them financially independent and also develop their skills towards leadership and economic enhancement. Various CSR initiatives undertaken for farmers, women, students, unemployed youth, etc. Please refer to the CSR section of our Annual Integrated Report FY 2022-2023 (page no. 245) for more details.

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**ESSENTIAL INDICATORS**

**1. Employees and workers who have been provided training on human rights issues and policy(s) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. employees or workers covered (B)	% (B / A)	Total (C)	No. employees of workers covered (D)	% (D/C)
Employees						
Permanent	2503	1811	72	2150	2150	100
Other than permanent	91	0	0	75	75	100
<b>Total Employees</b>	<b>2594</b>	<b>1811</b>	<b>70</b>	<b>2225</b>	<b>2225</b>	<b>100</b>
Workers						
Permanent	456	6	1	510	510	100
Other than permanent	2	0	0	1	1	100
<b>Total Workers</b>	<b>458</b>	<b>6</b>	<b>1</b>	<b>511</b>	<b>511</b>	<b>100</b>

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	2503	0	0	2503	100	2150	0	0	2150	100
Male	2439	0	0	2439	100	2116	0	0	2116	100
Female	64	0	0	64	100	34	0	0	34	100
Other than Permanent	91	0	0	91	100	75	0	0	75	100
Male	86	0	0	86	100	72	0	0	72	100
Female	5	0	0	5	100	3	0	0	3	100
Workers										
Permanent	456	0	0	456	100	510	0	0	510	100
Male	453	0	0	453	100	506	0	0	506	100
Female	3	0	0	3	100	4	0	0	4	100
Other than Permanent	2	0	0	2	100	1	0	0	1	100
Male	1	0	0	1	100	1	0	0	1	100
Female	1	0	0	1	100	0	0	0	0	0

**3. Details of remuneration/salary/wages, in the following format**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category*	Number	Median remuneration/ salary/ wages of respective category*
Board of Directors (BoD)	9	151.5	1	70.50
Key Managerial Personnel	3	540	0	0
Employees other than BoD and KMP	2522	11.33	69	7.21
Workers	454	6.57	4	3.14

\*(in Lakhs)

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes. The Corporate Responsibility Committee is responsible for addressing human rights impacts or issues caused or contributed to by the business.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Stakeholders can raise concerns pertaining to human rights issues as per Whistle-blower Policy or by using online grievance management system available on Company website or by directly reaching to the Grievance redressal team through dedicated email – grievance.apsez@adani.com. Organization does not impede access to state-based judicial processes.

Business HR conducts periodic audits to ensure compliance with the Human Rights Policies and ensure any issues or impacts are addressed in the defined manner within the stipulated timeline.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour / Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

APSEZL has zero tolerance towards discrimination, bullying, harassment and inappropriate or abusive conduct by its stakeholder groups. We have the following measures to prevent adverse consequences to the complainant in discrimination and harassment cases.

- To keep an eye on any harassment and discrimination cases within our company, the Corporate Responsibility Committee ensures a strategic alignment of sustainability and human rights with the business. The Risk Management Committee oversees the potential and actual risk pertaining to human rights at every stage of the project including merger and acquisition through human rights due diligence. Ultimate oversight for human rights resides with the Board of Directors, which are briefed on a quarterly basis by the ESG Head.
- To make our stakeholders aware of relevant guidelines pertaining to human rights, we upload these on our Company website for easy access to all employees and stakeholders. Awareness and familiarization sessions for different sets of employee population are also conducted.

**8. Do human rights requirements form part of your business agreements and contracts?**

Yes, all the suppliers and vendors are required to adhere to APSEZ's Supplier Code of Conduct and Human Rights guidelines which provides comprehensive guiding principles and embodies our commitment to internationally recognized standards, including UN Global Compact, the core conventions of the International Labor Organization (ILO) and United Nations' Universal Declaration of Human Rights and prevalent industry standards for our vendors and suppliers. APSEZL has zero tolerance towards violation of human rights and keeps a strict vigil on the policies and practices followed by the suppliers. Also, we try to enforce the best practices on human rights in our supply chain using the influence we have on our suppliers. Our expectation of respect for human rights from all our business partners is unambiguously conveyed at multiple levels of engagement. During the on-boarding process and later, the suppliers undergo third party audit of their operations for compliance with safe working condition requirements, avoidance of child and forced labour, environmental and social impacts, and human rights due diligence. The human rights aspects are also covered in-depth in our annual survey of the vendors and the training programs organized for them. In the survey, the suppliers are required to disclose their policy to avoid child labour, forced labour, workplace harassment, gender & ethnic discrimination and their human rights due diligence process. The suppliers are assessed on whether their policy is aligned with the requirements set by APSEZL for their suppliers and business partners.

Human right due diligence is carried out for mergers and before acquisitions which includes due diligence of country reputation in term of respecting human rights, ongoing controversy pertaining to human rights violation including child labour/forced labour/bonded labour, diversity, human trafficking, wages, sexual exploitation, racial /gender discrimination etc.

**9. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child Labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	NA

\*Internal assessment through SAQ (Self-Assessment Questionnaires)

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

We have identified four salient human right issues as priorities to be addressed across our value chains against which we have taken preventive actions, listed below:

**Fair Wages**

- Before Suppliers onboarding process we make sure they comply with all applicable laws and regulations with respect to minimum wages.
- APSEZL remuneration are in accordance with Government of India, Minimum Wages Act, 1948 and Wage Act 2019. We monitor our entire compensation structure to ensure that all employees are paid appropriately.

**Health & Safety**

- Access to quality healthcare is a fundamental right of every individual. Adani Foundation relentlessly works to provide access to quality health facilities at doorstep of community households and to a create healthy society.
- The company has robust systems and processes for occupational health and safety.
- We conduct the internal audit to check the working environment of the operating sites.
- We provide health & safety training to the workforce related to their functional areas.

### Forced Labour

- Our assessment is designed to ensure that potential issues of forced labour are captured and brought to our attention. Our suppliers are expected to embed following system:
- A responsible Recruitment procedure
- Due diligence and screening process
  - Clear contract with agencies
  - Training for management and workers
  - Grievance Mechanism

### Discrimination & harassment

- Communities are given awareness programs and make aware of government schemes so that they don't fall in debt cycle and do forced labour.
- Provided training to all the employees for awareness on diversity of workforce and work-related harassment, and discrimination.
- We have the Grievance Mechanism System that provides a transparent mode to obtain resolution on any human rights grievances.
- Suppliers are audited for their policy commitment and systems and processes for prevention of harassment and discrimination.

## LEADERSHIP INDICATORS

### 1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

APSEZL fostered an inclusive culture free from discrimination and powered by diverse employee capabilities. The Company is committed to free and fair employment practices free of any harassment based on race, religion, colour, age, sexual orientation, national origin, disability, or any other classification as mandated by national laws, ILO and UNGP guidelines. The Company's commitment to human rights is reflected in its governance, procurement, and social strategy. APSEZL remained committed to uphold human rights across its value chain and its commitment was reflected in due diligence and implementation framework governed by the following policies:

1. Adani Group policy on Human Rights
2. Human Rights Guidelines
3. Supplier Code of Conduct
4. Corporate Social Responsibility Policy
5. Stakeholder Engagement Policy
6. Guidelines for employment of Differently abled people
7. Business Responsibility Policy
8. Group Guidelines on Prevention of Sexual Harassment of Women at Workplace
9. Adani Group Code of Conduct Policy

In addition to the above policy implementation, this year we have amended our Human Rights Guidelines, Diversity, Equity & Inclusive Policy, and Supplier Code of conduct. We have conducted a human rights survey covering all our stakeholders. This year, we have asked the employees about any workplace harassment, or discrimination faced by them, the effectiveness of the system to identify and report human rights issues, and the awareness of various means to report any abuse. The Employee Grievance Management System has been launched at group level. The vendor onboarding process through ARIBA portal covers the Human rights related requirements. In addition, supplier/vendor and customer sustainability and ESG assessment has Human Right component integrated.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

APSEZL follows a robust human rights due diligence process that aligns with the UNGP reporting framework. The process begins with the identification and assessment of potential impacts on the human rights of workers, suppliers, consumers, and communities. The scope includes evaluating risks in our operations, value chains, and new partnerships such as mergers, acquisitions, and joint ventures.

Human right due diligence is carried out for mergers and before acquisitions which includes due diligence of country reputation in term of respecting human rights, ongoing controversy pertaining to human rights violation including child labour/forced labour/bonded labour, diversity, human trafficking, wages, sexual exploitation, racial /gender discrimination etc.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, we strongly promote equal opportunities for everyone, and we acknowledge the importance of having a diverse and equitable work environment. We have designed workplaces to enable employees with disabilities to carry out their jobs. Our Corporate office has ramps at entry locations and lobbies to facilitate wheelchairs. We have dedicated toilets for differently abled employees. We have elevators with Braille signs, designed for blind people or visually impaired people. Our other locations also comply with all the national/local requirements to accommodate differently abled person and their needs.

**4. Details on assessment of value chain partners:**

	<b>% of Value chain partners (by value of business done with such partners) that were assessed*</b>
Sexual Harassment	19
Discrimination at workplace	19
Child Labour	19
Forced Labour/ Involuntary Labour	19
Wages	0
Others- please specify	NA

\* Includes information on suppliers' assessment

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

- Our assessment is designed to ensure that potential issues of forced labor are captured and brought to our attention. Our suppliers are expected to embed following system:
  - A responsible recruitment procedure
  - Due diligence and screening process
  - Clear contract with agencies
  - Training for management and workers
  - Grievance mechanism
- Provided training to all the employees for awareness of diversity of workforce and work-related harassment, and discrimination.
- Suppliers are audited for their policy commitment and systems and processes for prevention of harassment and discrimination.
- Before suppliers onboarding process we make sure they comply with all applicable laws and regulations with respect to minimum wages.

**PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT****ESSENTIAL INDICATORS****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total Electricity Consumption (A) (GJ)	13,87,640	10,86,392
Total fuel consumption (B) (GJ)	16,25,768	17,12,444
Energy consumption through other sources (C) (GJ)	0	0
<b>Total energy consumption (A+B+C) (GJ)</b>	<b>30,13,408</b>	<b>27,98,837</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ/Cr)	134	155
Energy intensity (optional) – the relevant metric may be selected by the entity	N/A	N/A

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No. The PAT scheme is not applicable to the Company's businesses.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water	8,39,237	3,47,547
(ii) Groundwater	3,66,769	2,21,382
(iii) Third party water	28,32,089	21,74,306
(iv) Seawater / desalinated water	12,41,295	10,27,249
(v) Others	9,60,739	17,31,042
<b>Total volume of water withdrawal (In kiloliters) (i + ii + iii + iv + v)</b>	<b>62,40,130</b>	<b>55,01,526</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>55,90,749</b>	<b>47,31,107</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover) (ML/Cr)	0.25	0.26
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	N/A	N/A

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes. We ensure compliance with all applicable statutory obligations laid by the Central and State Pollution Control Board. For locations where zero liquid discharge is mandated by the Pollution Control Board, we have implemented and maintained adequate systems to ensure compliance. In other sites, we have mechanisms in place to treat the sewage/effluent as per the statutory guidelines. After treatment, we utilize treated water for internal usage to the extent possible.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	µg/m <sup>3</sup>	14.09	20.55
SOx	µg/m <sup>3</sup>	12.46	11.43
Particulate matter (PM)	µg/m <sup>3</sup>	41.36	56.99
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Ambient Air Quality Monitoring (AAQM) is carried out in line to National Ambient Air Quality Standards (NAAQS) across sites in line to Environment Clearance obtained from MoEF&CC (Ministry of Environment Forest and Climate Change) & Consents obtained from SPCB (State Pollution Control Board). Ambient Air Quality and Stack emission monitoring reports are submitted regularly to SPCB and to MoEF&CC as part of half yearly compliance reports. Six monthly monitoring reports are also kept on the Company's website. The monitoring reports are reviewed by SPCB during their site visits and inspection as well. These are also audited as part of ISO-14001 certification twice internally and once by an external audit agency.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,21,102	1,29,438
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,61,951	1,93,063
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent / Crore	17.10	17.8
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity.		N/A	N/A

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Yes. APSEZL has taken various GHG emission reduction initiatives in line with our target to become a Carbon neutral port, SBTi commitment, and to meet India's Climate change (NDC commitments). APSEZL has saved 42,283 tCO<sub>2</sub>e emissions through renewable energy projects and power purchase agreements during FY22-23. Some of the major GHG emissions reduction projects are undertaken in FY2023 are:

- Conversion of the conventional lights to LED lights
- 9 Electric cars introduced across the sites.
- Automation of the process to reduce the energy consumption hence the emissions.

Further details on these initiatives can be seen under environment stewardship section of our Integrated Annual Report FY22-23 (page no. 142).

**8. Provide details related to waste management by the entity, in the following format**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	894.26	176.19
E-waste (B)	111.31	50.93
Bio-medical waste (C)	9.87	6.9
Construction and demolition waste (D)	0	0
Battery waste (E)	13.46	35.1
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	1,323.81	1,052
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	13,792.26	11,674.33
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>15,315.53</b>	<b>12995.45</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	8038	7,036
(ii) Re-used	3076	99
(iii) Other recovery operations	1132	4,043
<b>Total</b>	<b>12,245</b>	<b>11,178</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	140	123
(ii) Landfilling	944	1694.42
(iii) Other disposal operations	0	0
<b>Total</b>	<b>1084</b>	<b>1817.418</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

APSEZL, being in the service industry (i.e., provides services for cargo handling & logistic, operations & maintenance of port sector) does not produce any products using hazardous and toxic chemicals. As such, we don't have potential to recycle generated waste in our operations. However, APSEZL complies with all the applicable regulatory requirements pertaining to waste management. Achieving Zero Waste to Landfill at all our sites by FY 2025 is an ambitious sustainability goal that aims to divert all waste from landfills and eliminate the need for traditional waste disposal practices.

We dispose of our waste in an environmentally friendly manner through CPCB / SPCB registered CHWIF/ TSDF or authorized recyclers. As we move towards our vision of Zero Waste to landfill at all sites, several initiatives have been implemented in the handling and management of hazardous and non-hazardous waste at all operating port locations by focusing on 5R principles of waste management i.e., Reduce, Reuse, Reprocess, Recycle and Recover. Essential measures we take towards effective waste management:

- We have implemented a sustainable waste management practice by recycling bio-degradable waste and using it as manure.
- Non-biodegradable waste such as paper, plastic, and scrap are sent to recyclers.
- Non-recyclable and non-recoverable dry waste (loose refused derived fuel) was sent to cement plants for co-processing.
- STP sludge was used as soil conditioner/manure.

- APSEZL has successfully accomplished its objective of establishing a single-use plastic-free port across its sites as part of its commitment to the 5R's principle.
- We continuously educate and train our employees on responsible waste disposal practices to ensure that they are aware of their roles in implementing sustainable waste management practices.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	All Ports & Terminals falls under Coastal Regulation Zone (CRZ) Area	Handling & Storage of Cargo	Yes*

\*Apart from CRZ there's no Eco Sensitive Areas (National Park, Sanctuary, biosphere reserve, wetlands, biodiversity hotspots) within our development footprint. However comprehensive Biodiversity Assessment is being carried out before setting up of facility as part of Environment Impact Assessment (EIA) studies and biodiversity impacts for both terrestrial & marine is studied in detail, impacts are identified, and mitigation measures/management program is proposed based on identified impacts. For both construction and operation phase. The progress on management measures/EMP (Environment Management Plan) is being submitted to all the concerned regulatory authorities as part of half yearly compliance report and is also kept on Company's website at <https://www.adaniports.com/Downloads>.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Environmental Impact Assessment is being carried out for all the projects/development facility in line to EIA Notification, 2006 (as amended) and copy of Environment clearance so obtained is being kept at Company website at <https://www.adaniports.com/Downloads> (refer Environment & CRZ Clearance under relevant port) EIA studies and EC clearance in line to applicable law.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Revised Master Plan development of Kattupalli by Marine Infrastructure Developer Private Limited (MIDPL)	S.O. 1533 (E), EIA Notification –2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Ongoing	Ongoing	
Revised Master Plan of Water Front Development Project at Mundra by Adani Ports and SEZ Limited (APSEZ)	S.O. 1533 (E), EIA Notification –2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Ongoing	Ongoing	
Outer Harbour development of Hazira Port	S.O. 1533 (E), EIA Notification –2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Completed	Yes	
Development of 1576.81 Ha industrial park /SEZ at Mundra by Adani Ports and SEZ Limited (APSEZ)	S.O. 1533 (E), EIA Notification –2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Ongoing	Ongoing	
Proposed Utility Corridor (Road, Rail, pipeline, HT line and other utility) and LPG pipeline at Mundra by Adani Ports and SEZ Limited (APSEZ)	CRZ Notification, 2011	06.01.2011	Yes, Status of project -Completed	Yes	

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Proposed 18m 66KV Transmission Corridor at Mundra by MPSEZ Utilities Limited (MUL)	CRZ Notification, 2011	06.01.2011	Yes, Status of project -Completed	Yes	
Additional capital & maintenance dredging and disposal of dredge material at Tuna by Adani Kandla Bulk Terminal Pvt. Ltd. (AKBTPL)	S.O. 1533 (E), EIA Notification -2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Ongoing	Ongoing	
Creation of berthing and allied facilities off Tekra, near Tuna by Adani Kandla Bulk Terminal Pvt. Ltd. (AKBTPL)	CRZ Notification, 2011	06.01.2011	Yes, Status of project -Ongoing	Ongoing	
Development of 253 MLD Desalination Plant out of approved 300 MLD Desalination Plant at Mundra by Adani Ports and SEZ Limited (APSEZ)	CRZ Notification, 2011	06.01.2011	Yes, Status of project -Ongoing	Ongoing	
Development of SVCT Township at Mundra by Adani Ports and SEZ Limited (APSEZ)	S.O. 1533 (E), EIA Notification -2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Ongoing	Ongoing	
EC & CRZ Clearance for the balance work development of Dighi Port by Dighi Port Limited (DPL)	S.O. 1533 (E), EIA Notification -2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Ongoing	Ongoing	
EC & CRZ Clearance for Master Plan development of Dighi Port by Dighi Port Limited (DPL)	S.O. 1533 (E), EIA Notification -2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Ongoing	Ongoing	

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Change in Product Mix of Kattupalli port by Marine Infrastructure Developer Private Limited (MIDPL)	S.O. 1533 (E), EIA Notification –2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Completed	Yes	
Warehouse/Logistic Park at Indore by Adani Logistics Limited (ALL)	S.O. 1533 (E), EIA Notification –2006 and its amendment thereafter	14.09.2006	Yes, Status of project -Completed	Yes	

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the Company is compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

S. No.	Specify the law / regulation/guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Nil				

## LEADERSHIP INDICATORS

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption(A) (GJ)	1,93,940	2,15,454
Total fuel consumption (B) (GJ)	0	0
Energy consumption through other sources (C) (GJ)	Nil	Nil
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>1,93,940</b>	<b>2,15,454</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D) (GJ)	11,93,700	8,70,939
Total fuel consumption (E) (GJ)	16,25,768	17,12,444
Energy consumption through other sources (F) (GJ)	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F) (GJ)</b>	<b>28,19,468</b>	<b>25,83,383</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report

**2. Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Nil	Nil
No treatment	NA	NA
With treatment - please specify level of Treatment	NA	NA
(ii) To Groundwater	Nil	Nil
No treatment	NA	NA
With treatment - please specify level of Treatment	NA	NA
(iii) To Seawater	Nil	Nil
No treatment	NA	NA
With treatment - please specify level of Treatment	NA	NA
(iv) Sent to third-parties	Nil	Nil
No treatment	NA	NA
With treatment - please specify level of Treatment	NA	NA
(v) Others	NA	NA
No treatment	Nil	Nil
With treatment - please specify level of Treatment	10,23,633* (Physico-chemical, Biological, Filtration)	742047* (Physico-chemical, Biological, Filtration)
<b>Total water discharged (in kiloliters)</b>	<b>10,23,633</b>	

\*On land discharge after treatment and meeting the norms and utilization for horticulture, gardening purpose.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**3. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):**

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Dhamra, Tuna, Dahej, Hazira in Gujarat, Krishnapatanam in Andhra Pradesh, Kattupalli & Ennore in Tamilnadu and Dighi in Maharashtra.
- Nature of operations: Ports cargo handling
- Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	1,38,220	0
(ii) Groundwater	16,108	0
(iii) Third party water	24,28,203	19,15,789
(iv) Seawater / desalinated water	13,67,876	10,16,873
(v) Others	9,58,485	10,40,056
Total volume of water withdrawal (in kilolitres)	49,08,892	39,72,718
Total volume of water consumption (in kilolitres)	43,14,481	32,50,536
Water intensity per rupee of turnover (Water consumed / turnover)	.25	.26
Water intensity (optional) – the relevant metric may be selected by the Entity		

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	20,23,072	4,71,649
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent	90	26
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		N/A	N/A

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Apart from CRZ there's no Eco Sensitive Areas (NP, Sanctuary, biosphere reserve, wetlands, biodiversity hotspots) within our development footprint. However, comprehensive Biodiversity Assessment is being carried out before setting up of facility as part of EIA studies and biodiversity impacts for both terrestrial & marine is studied in detail, impacts are identified, and mitigation measures/management program is proposed based on identified impacts. For both construction & operation phase. The progress on management measures/EMP is being submitted to all the concerned regulatory authorities as part of Half yearly compliance report and is also kept on Company's website.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	Details of the initiative relation to energy conservation, emission reduction, resource efficiency, effluent and waste management are covered in Environment section of Integrated Annual Report FY23 (page no. 142)		

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

All our ports have on-site and off-site disaster management plan in place. The same is submitted to MOEF & CC as part of half yearly EC & CRZ compliance report.

Mundra port onsite emergency plan can be seen at: <https://www.adaniports.com/-/media/Project/Ports/PortsAndTerminals/Mundra-Documents/Environment-Compliance-Report/Current-Environment-Compliance-Report/1-EC-Compliance-ReportApr22-to-Sep22MPT-APSEZ-Mundra.pdf>

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

We make sure to take all the necessary measures to reduce any adverse environmental impacts arising from our value chain. For instance, none of the vessels entering the port limit are allowed to discharge any waste, bilge, ballast into the water. The company has provided waste reception facilities for incoming vessels to avoid marine water pollution. Also, PUC certification has been mandated for incoming vehicles to minimize emissions. We are also working towards electrification of Corporate Overview Statutory Reports Financial Section 397 railway lines to minimize emissions. Under the International Maritime Organization's MARPOL 73/78 convention, vessels that call at our port deliver their waste safely to our facility at a nominal charge, in alignment with the 'polluter pays' principle.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Details of assessment of value chain partners for assessed for ESG has been provided under Supplier section in our Integrated Annual Report FY22-23 (page no. 180)

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.**

**ESSENTIAL INDICATORS**

**1. a. Number of affiliations with trade and industry chambers/ associations: 13**

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Export Organizations (FIEO)	National
3	World Economic Forum (WEF)	National
4	Federation of Indian Chamber of Commerce and Industry (FICCI)	National
5	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
6	National Safety Council (NSC-Mumbai)	National
7	Ahmedabad Management Association (AMA)	State
8	Federation of Kutch Industries associations (FOKIA)	State
9	Hazira Area Industries Association (HAIA)	State
10	Gujarat Chamber of Commerce and Industry (GCCCI)	State

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of the authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

**LEADERSHIP INDICATORS****1. Details of public policy positions advocated by the entity:**

Sl. No	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency review by Board (Annually/ Half Yearly/Quarterly/ Others please specify)	Web Link, if available
1	Harit Sagar, The green port guidelines 2023	Internal communication	No	Quarterly	N/A
2	GHG Emission control under ministry of port, shipping & water ways	Discussion at marine environment protection committee (MEPC)	No	Quarterly	N/A

**PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.****ESSENTIAL INDICATORS****1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date Notification	Whether conducted by independent external agency (yes/No)	Results communicated in public domain (Yes/No)	Relevant Web
Nil					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.**

Sl. No.	Name of the Project for with R&R is on going	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to the PAFs in the FY (INR)
Nil						

**3. Describe the mechanisms to receive and redress grievances of the community.**

The Company's grievance reporting initiatives comprised a 24x7 grievance reporting mechanism through its website, dedicated telephone numbers and drop boxes at prominent locations. Several people across the company's sites (supervisors, seniors, and department heads) can be reached directly for reporting grievances. The Company provides communities with a grievance reporting system (recorded, reviewed, escalated, and actioned upon within a timeframe). A Grievance Management System was implemented for the aggrieved to view status, resolution, and feedback. The Company is further in the process of developing and rolling out of an integrated Grievance Management System wherein all types of grievance will feed into one integrated system.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	N/A	N/A
Sourced directly from within the district and neighboring districts	56%	26%

## LEADERSHIP INDICATORS

### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable	Not applicable

### 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl. No.	State	Aspirational District	Amount Spent (INR)
1	Andhra Pradesh	Visakhapatnam	758.9 Lakhs

### 3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

Yes, APSEZL has a Sustainable Procurement Policy and Supplier Code of Conduct in place, which covers the aspect related to procurement/purchase from marginalized/vulnerable groups. APSEZL is driving economic development by enhancing procurement processes for social and environmental gains. The procurement focus was not just on local development but a range of accrued benefits of lower costs, higher brand recognition and livelihood support. Local vendors generally employ hundreds unlikely to leave that city, delivering benefits for the local economy in which they are based. Utilizing procurement more progressively and innovatively has facilitated the participation of small to medium sized enterprises (SMEs) in public procurement in support of common societal goals.

For further details refer to the Supply Chain section of our Integrated Annual Report FY22-23 (page no. 176).

### b. From which marginalized /vulnerable groups do you procure?

Local/regional suppliers and Local communities.

### c. What percentage of total procurement (by value) does it constitute?

During FY2022-23, 56% of the Company's procurement was derived from local State vendors and 22% from the same district.

### 4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes/No)	Basis of Calculating benefit share
N/A				

### 5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
N/A		

### 6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
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For details of CSR project & beneficiary, kindly refer Corporate Social Responsibility section of our Integrated Annual Report FY22-23 (page no. 244).

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER.****ESSENTIAL INDICATORS****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The company has formal mechanisms in place to collect feedback from the customers. The customers can reach-out with their complaints related to our services or payment transactions through mail or online portal and a time bound solution is provided to them. To report any grievance, we can be reached at Grievance.apsez@adani.com.

Besides, APSEZL proactively engages with our customers regularly. We also carry out customer satisfaction surveys through deployment of internal resources on an annual basis and covers feedback of customers across all port and logistics locations. Based on the feedback, necessary process improvements are undertaken as a part of standard management systems.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable considering the nature of Company's product and services offerings
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	N/A	Nil	Nil	N/A
Advertising	Nil	Nil	N/A	Nil	Nil	N/A
Cyber-security	Nil	Nil	N/A	Nil	Nil	N/A
Delivery of essential services	Nil	Nil	N/A	Nil	Nil	N/A
Restrictive Trade Practices	Nil	Nil	N/A	Nil	Nil	N/A
Unfair Trade Practices	Nil	Nil	N/A	Nil	Nil	N/A
Other	Nil	Nil	N/A	Nil	Nil	N/A

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons of recall
Voluntary recalls	N/A	
Forced recalls		

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.**

Yes, APSEZL has a Cyber Security Policy: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Adani-Cyber-Security-Policy.pdf> in place that covers all aspects of cyber risk for IT and business areas. We are committed to establishing and improving cyber security posture and minimizing our exposure to such risks. Please refer to integrated report on page no. 222.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

So far, APSEZL has not faced any substantiated incidents concerning breaches of cybersecurity/ data privacy, etc. However, we have all the measures in place to avoid any such incidents.

- APSEZL mitigation plan included a cyber-security program, SOP across functions, cyber security awareness programs to employees and the development of business continuity plans.
- APSEZL has mandated annual trainings on cyber security for all the employees and conducts it with utmost rigor and sincerity. Any deviation will be dealt with as per applicable procedures laid out in relevant guidelines and policies. Also, awareness programs on Information Security are available to all employees and wherever applicable to third parties e.g., sub-contractors, consultants, vendors etc.

## LEADERSHIP INDICATORS

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Yes, all the required information about our services has been uploaded on our website and can be accessed at:

Growth with Sustainability - Adani Ports and SEZ Ltd: <https://www.adaniports.com/>

Downloads (adaniports.com): <https://www.adaniports.com/Downloads>

Corporate Governance: Adani Ports and Logistics

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.:**

We continuously engage with our customers on a proactive basis to inform and educate them. We conduct a Survey annually to know their ESG performance and inform them about our policies.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

During disruption/discontinuation of essential services, consumers are intimated through:

- a) Electronic communications
- b) Over telephonic calls.
- c) Corporate website (Adani Ports and SEZ Ltd) <https://origin-webapp.adaniports.com/>

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No):**

N/A

**5. Provide the following information relating to data breaches: Nil.**

- a) Number of instances of data breaches along with impact: N/A
- b) Percentage of data breaches involving personally identifiable information of customers: N/A

# Financial Statements

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Adani Ports and Special Economic Zone Limited**

## Report on the Audit of the Standalone Financial Statements

### Qualified Opinion

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

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

### Basis for Qualified Opinion

The Company has entered into Engineering, Procurement and Construction (EPC) purchase contracts substantially with a fellow subsidiary ("Contractor") of a party identified in the allegations made in the Short Seller Report. As at March 31, 2023, a net balance of ₹2,457.05 crores is recoverable from this Contractor, of which ₹713.63 crores relate to security deposits paid to the Contractor and ₹1,501.50 crores in respect of capital advances. The security deposits carry an interest of approximately 8% per annum and are refundable by the Contractor either on completion or termination of the project against which the security deposit was given by the Company. Security deposits totalling ₹713.63 crores have been given prior to April 1, 2022, of which security deposits amounting to ₹253.63 crores relate to projects which have not commenced as at March 31, 2023. The Company has represented to us that the Contractor is not a related party.

Additionally, there were financing transactions (including equity) with/by certain other parties identified in the allegations made in the Short Seller Report, which the Company has represented to us were not related parties. As at March 31, 2023, all receivable and payable amounts were settled including interest and there were no outstanding balances.

Subsequent to the year end, the Company renegotiated the terms of sale of its container terminal under construction in Myanmar (held through a subsidiary audited by other auditors) with Solar Energy Limited, a company incorporated in Anguilla. The Company has represented to us that the buyer is not a related party. The carrying amount of the assets (classified as held for sale) was ₹1,752.92 crores. The sale consideration was revised from ₹2,015 crores (USD 260 million) to ₹246.51 crores (USD 30 million), which has been received, and an impairment loss of ₹1,558.16 crores has been recognised as an expense in the Statement of Profit and Loss.

The Company has represented to us that there is no effect of the allegations made in the Short Seller Report on the standalone financial statements based on their evaluation and after consideration of a memorandum prepared by an external law firm on the responses to the allegations in the Short Seller Report issued by the Adani group. The Company did not consider it necessary to have an independent external examination of these allegations because of their evaluation and the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India. The evaluation performed by the Company, as stated in Note 46 to the standalone financial statements, does not constitute sufficient appropriate audit evidence for the purposes of our audit. In the absence of an independent external examination by the Company and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 46 to the standalone financial statements, by the Securities and Exchange Board of India of these allegations, and in respect of the sale of asset described in the immediately preceding paragraph, we are unable to comment whether these transactions or any other transactions may result in possible adjustments and/or disclosures in the standalone financial statements in respect of

related parties, and whether the Company should have complied with the applicable laws and regulations.

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

### Emphasis of Matter

We draw attention to Note 44 of the standalone financial statements, which describes the matter relating to delay in achievement of scheduled commercial operation date ("COD" i.e., December 03,

2019, as stipulated under the concession agreement) of the international deep-water multipurpose seaport being constructed by Adani Vizhinjam Port Private Limited ("AVPPL") at Vizhinjam, Kerala (the "Project"). The matter has been referred to arbitration proceedings by AVPPL to resolve disputes relating to force majeure events and failure of the Authority of the concession to fulfil its obligations under the concession agreement, which AVPPL contends, contributed to the delay in achieving COD.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Additionally, the matter below in respect of the Short Seller Report has been reported in the Basis for Qualified Opinion section of our report. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter Description	Auditor's Response
1	<p>Short Seller Report ("the Report") (Refer to Basis for Qualified Opinion section above)</p> <p>In January 2023, there was a Report containing allegations relating to the Adani group of companies. The Report alleged that transactions with certain parties named in the Report were not appropriately identified and reported as related parties, which were not in compliance with applicable laws and regulations.</p> <p>The Company had purchases, sale of services and financing transactions (including equity) with/by certain parties including those identified in the allegations made in the Report.</p> <p>The allegations in the Report are under investigation by the Securities and Exchange Board of India in accordance with the direction and monitoring of Hon'ble Supreme Court of India.</p>	<p>Principal audit procedures performed</p> <ul style="list-style-type: none"> <li>We inquired with the Company on their approach to assess these allegations to ascertain whether there is any effect on the standalone financial statements.</li> <li>We requested the Company to initiate an independent external examination of these allegations to determine whether these allegations may have any possible effect on the standalone financial statements of the Company. The Company represented to us that these allegations have no effect on the standalone financial statements of the Company, based on the evaluation it performed and because of the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India, did not consider it necessary to initiate an independent external examination.</li> <li>We evaluated the assessment performed by the Company, as described in Note 46 to the standalone financial statements and have read the memorandum prepared by an external law firm which the Company considered in its assessment, to determine whether these allegations have any possible effect on the standalone financial statements of the Company. The assessment by the Company did not constitute sufficient appropriate audit evidence for the purposes of our audit.</li> </ul>

Sr. No.	Key Audit Matter Description	Auditor's Response
		<ul style="list-style-type: none"> <li>• In the absence of an independent external examination by the Company and because of insufficient appropriate audit evidence described immediately above, we have performed alternative audit procedures in respect of these allegations including consideration of information relating to the ownership and association of the parties identified in the Report to the extent publicly available.</li> <li>• We also evaluated the design of the internal controls in respect of allegations made on the Company.</li> </ul>

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, in the absence of an independent external examination by the Company and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 46 to the standalone financial statements, by the Securities and Exchange Board of India of these allegations and in respect of sale of assets, we are unable to comment whether transactions stated in Basis for Qualified Opinion section above, or any other transactions may result in possible adjustments and/or disclosures in the standalone financial statements in respect of related parties, and whether the Company should have complied with the relevant laws and regulations. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement,

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

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

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

Our opinion on the standalone financial statements and our report on the Other Legal and Regulatory

Requirements below is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and except for the matters described in Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) Except for the possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) The matter described in the Basis for Qualified Opinion section above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith, are as stated in the Basis for Qualified Opinion section and in paragraph (b) above.
- h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses qualified opinion on the adequacy and operating effectiveness of the

Company's internal financial controls with reference to standalone financial statements for the reasons stated therein.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 37 to the standalone financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 33 to the standalone financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 43(a) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 43(b) to the standalone financial statements no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, except for the possible effects of the matters described in the Basis for Qualified Opinion section above, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- As stated in Note 52 (iii) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Registration No 117366W/W-100018)

**Kartikeya Raval**

Partner

Place: Ahmedabad (Membership No. 106189)  
Date: May 30, 2023 UDIN: 23106189BGVORL6331

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

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

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

We have audited the internal financial controls with reference to standalone financial statements of **Adani Ports and Special Economic Zone Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### Auditor's Responsibility

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

maintained and if such controls operated effectively in all material respects.

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

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

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

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

disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Basis for Qualified Opinion**

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

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

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

### **Qualified Opinion**

In our opinion, to the best of our information and according to the explanations given to us except for the possible effects of the material weakness described in Basis for Qualified Opinion section above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2023, based on the internal control with reference to standalone financial statements 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.

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

**For Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Registration No 117366W/W-100018)

**Kartikeya Raval**

Partner

Place: Ahmedabad

(Membership No. 106189)

Date: May 30, 2023

UDIN: 23106189BGVORL6331

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work in progress and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) Some of the property, plant and equipment, capital work-in-progress, and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment,

capital work-in-progress, and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

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

Description of property	Gross carrying value in the standalone financial statements (₹ In crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Reclaimed land located at the South and West Port admeasuring 1093.53 Hectares	180.18	NA	NA	NA	The said land pertains to reclaimed land at the Mundra Port for which land allotment is being processed by Government of Gujarat (GOG). (Refer note 3(a) (viii) of standalone financial statements)

- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets of the Company. In accordance with the information and explanation given to us, no quarterly returns or statements were filed by the Company till the date of this report.
- (iii) Except for the possible effects of the matter relating to security deposits given to the

Contractor described in our Basis for Qualified Opinion section in our audit report on the standalone financial statements, during the year, the Company has not given any advances in nature of loans but has made investments in, provided guarantee, granted unsecured loans to companies and provided security during the year, in respect of which:

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

(₹ in crores)

Particulars	Loans	Guarantees	Security <sup>^</sup>
A. Aggregate amount granted / provided during the year: #			
- Subsidiaries	11,322.12	7,466.65	--
- Joint Ventures	--	410.85	--
- Others	18,840.38	--	--
B. Balance outstanding as at balance sheet date: #			
- Subsidiaries	22,244.54	9,734.85	1038.37**
- Joint Ventures	300.33	4,511.54	32.57 @
- Others	1,569.62	--	--

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

# Includes amounts invested in Perpetual Debts of the subsidiaries.

\*\* Against the security provided, the outstanding loans as at March 31, 2023 is ₹165.00 crores.

@ Against the security provided, the outstanding loans as at March 31, 2023 is ₹550.78 crores.

<sup>^</sup> It represents the carrying value of securities created in the books of account as at March 31, 2023. It only includes the securities given for the borrowings of other entities and does not include the value of subservient charge.

- (b) Except for possible effect of the matters described in our Basis for Qualified Opinion section in our audit report on the standalone financial statements, the investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) (i) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations except for the following:

Name of the entity	Nature	Amount in crores	Due date	Extent of delay (In days)	Remarks, if any
Adani Krishnapatnam Port Limited	Interest accrued	12.68	January 01, 2022	177	--
Adani Murmugao Port Terminal Private Limited	Interest accrued	29.87	March 31, 2022	Upto 90 days	Delayed Interest received on various dates in multiple tranches.

Name of the entity	Nature	Amount in crores	Due date	Extent of delay (In days)	Remarks, if any
Adani Murmugao Port Terminal Private Limited	Interest accrued	29.61	March 31, 2023	1	
Komal Infotech Private Limited	Interest accrued	1.78	March 19, 2019	1474	As at Balance Sheet date, the amount has been provided for.
Adani Kandla Bulk Terminal Private Limited	Interest accrued	43.79	March 31, 2021	731	As at Balance Sheet date, the amount has been written off.
		57.44	March 31, 2022	366	

- (ii) In respect of loans granted in the nature of Perpetual Debt, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest. (Refer reporting under clause (iii)(f) below).
- (iii) The Company has granted loans payable on demand. During the year, the Company has not demanded such loans. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below).
- (d) The following loans granted by the Company in earlier financial years, which have been overdue for more than 90 days as at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal amount and interest:

No. of cases	Principal amount overdue	Interest overdue	Total overdue	Remarks, if any
1	-	1.78	1.78	As at Balance Sheet date, the amount has been provided for.
2	-	101.23	101.23	The amount has been written off during the year.

- (e) No loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. For the purpose of this reporting, renewal, extension or fresh loan granted after it becomes overdue has only be considered.
- (f) During the year, the Company has granted loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below:

(₹ in Crores)

Particulars	All Parties (including related parties)	Subsidiaries
Aggregate of loans		
- Repayable on demand (A)	20.00	-
- Agreement does not specify any terms or period of repayment (B) #	5,152.09	5,152.09
Total (A+B)	5,172.09	5,152.09
Percentage of total loans outstanding	21.45%	21.37%

# Perpetual debt, classified under the note of Investments in the standalone financial statements, has been considered as loans without repayment terms for the purpose of above reporting.

- (iv) Except for the possible effects of the matters described in the Basis for Qualified Opinion section in our audit report on the standalone financial statements, in our opinion and according to the information and explanations given to us, and considering the legal opinion taken by the Company on applicability of section 185 of the Companies Act, 2013, in respect of certain loan transactions which are in the ordinary course of business, the Company has complied with the provisions of the Section 185 of the Companies Act, 2013 in respect of grant of loans and providing guarantees and securities, as applicable.

Further, based on the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, to the extent applicable.

- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

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

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

Name of Statute	Nature of Dues	Amount (₹ in crore)	Period to which the Amount Relates	Forum where Dispute is Pending
Customs Act, 1962	Custom Duty	2.00	June, 2008	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
		0.14*	July, 2003	Assistant Commissioner of Customs, Mundra
Finance Act, 1994	Service Tax	6.71#	December, 2004 to March, 2006	Supreme Court
		173.63	April, 2004 to September, 2011	High Court of Gujarat
		0.61	September, 2009 to March, 2010	Commissioner of Service Tax, Ahmedabad
		500.34	April, 2011 to March, 2017	Commissioner/ Additional Commissioner of Service Tax, Ahmedabad
		6.72	April, 2004 to August, 2009	High Court of Gujarat
		0.17	April, 2009 to March, 2011	Commissioner of Service Tax, Ahmedabad
Income Tax Act, 1961	Income Tax	82.23	AY 2012-13 to AY 2016-17	Income Tax Appellate Tribunal
		0.00\$	AY 2017-18 to AY 2018-19	Commissioner of Income Tax (Appeal)

\*Net off ₹0.05 crores paid as deposit.

#Net off ₹4.50 crores paid as deposit.

\$Net off ₹24.00 crores paid under protest.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) We report that the Company has neither taken any funds from any entity or person during the year nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, except for the possible effects of the matters described in the Basis for Qualified Opinion section in report on the standalone financial statements, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year. We have taken into consideration the Short Seller Report referred to in our Basis for Qualified Opinion section in our audit report on the standalone financial statements while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) Except for the possible effects of the matters described in the Basis for Qualified Opinion section of our audit report on the standalone financial statements, in our opinion, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit observations of the Company presented to the Audit Committee on quarterly basis, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

Kartikeya Raval  
Partner

Place: Ahmedabad (Membership No. 106189)  
Date: May 30, 2023 UDIN: 23106189BGVORL6331

## Balance Sheet as at March 31, 2023

₹ in Crore

Particulars	Notes	As at March 31, 2023	As at March 31, 2022*
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3 (a)	9,734.44	9,537.65
Right-of-Use assets	3 (b)	344.25	372.01
Capital Work-in-Progress	3 (e)	637.71	614.08
Goodwill	3 (d)	44.86	44.86
Other Intangible Assets	3 (c)	66.18	84.15
<b>Financial Assets</b>			
Investments	4	44,810.74	33,747.83
Loans	6	10,200.06	11,994.41
Other Financial Assets			
- Bank Deposits having maturity over twelve months	11	0.81	1,950.24
- Other Financial Assets other than above	7	3,330.89	3,701.15
Deferred Tax Assets (net)	27	1,280.05	717.57
Other Non-Current Assets	8	2,496.94	865.00
		<b>72,946.93</b>	<b>63,628.95</b>
<b>Current Assets</b>			
Inventories	9	79.11	79.33
<b>Financial Assets</b>			
Investments	10	1,161.98	-
Trade Receivables	5	1,017.09	873.89
Customers' Bills Discounted	5	257.05	208.24
Cash and Cash Equivalents	11	65.44	4,828.04
Bank Balances other than Cash and Cash Equivalents	11	1,964.73	1,383.46
Loans	6	693.52	348.26
Other Financial Assets	7	1,012.15	6,635.18
Other Current Assets	8	333.25	264.25
		<b>6,584.32</b>	<b>14,620.65</b>
<b>Assets Held for Sale</b>	47	194.76	-
<b>Total Assets</b>		<b>79,726.01</b>	<b>78,249.60</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	432.03	422.47
Other Equity	13	28,270.66	29,588.81
<b>Total Equity</b>		<b>28,702.69</b>	<b>30,011.28</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	44,061.70	40,626.65
Lease Liabilities	15	123.33	128.64
Other Financial Liabilities	16	47.04	13.51
Provisions	20	11.58	5.47
Other Non-Current Liabilities	17	456.96	500.65
		<b>44,700.61</b>	<b>41,274.92</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	3,203.73	3,939.87
Customers' Bills Discounted	18	257.05	208.24
Lease Liabilities	15	5.36	4.95
Trade and Other Payables	19		
- total outstanding dues of micro enterprises and small enterprises		15.98	6.78
- total outstanding dues of creditors other than micro enterprises and small enterprises		562.81	454.23
Other Financial Liabilities	16	1,178.93	1,273.67
Other Current Liabilities	17	1,076.90	1,056.08
Provisions	20	21.95	19.58
		<b>6,322.71</b>	<b>6,963.40</b>
<b>Total Liabilities</b>		<b>51,023.32</b>	<b>48,238.32</b>
<b>Total Equity and Liabilities</b>		<b>79,726.01</b>	<b>78,249.60</b>

\*Restated (refer note 42(b) &amp; 4(m))

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

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

**Kartikeya Raval**  
Partner

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

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Karan Adani**  
Wholtime Director and CEO  
DIN: 03088095

**Kamlesh Bhagia**  
Company Secretary

**Rajesh S. Adani**  
Director  
DIN : 00006322

**D. Muthukumar**  
Chief Financial Officer

Place : Ahmedabad  
Date : May 30, 2023

Place : Ahmedabad  
Date : May 30, 2023

## Statement of Profit and Loss for the year ended March 31, 2023

₹ in Crore

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022*
<b>INCOME</b>			
Revenue from Operations	21	5,237.15	4,206.22
Other Income	22	2,998.79	2,519.31
<b>Total Income</b>		<b>8,235.94</b>	<b>6,725.53</b>
<b>EXPENSES</b>			
Operating Expenses	23	1,119.91	831.27
Employee Benefits Expense	24	294.70	238.34
Finance Costs	25		
Interest and Bank Charges		2,769.50	2,509.36
Derivative (Gain) (net)		(89.11)	(15.70)
Depreciation and Amortisation Expense	3	612.98	599.61
Foreign Exchange Loss (net)		2,446.14	895.42
Other Expenses	26	551.89	583.67
<b>Total Expenses</b>		<b>7,706.01</b>	<b>5,641.97</b>
<b>Profit Before Exceptional items and Tax</b>		<b>529.93</b>	<b>1,083.56</b>
Exceptional Items	4(b)(ii), 41 & 47	(1,558.16)	(611.83)
<b>(Loss)/Profit Before Tax</b>		<b>(1,028.23)</b>	<b>471.73</b>
<b>Tax (Credit)/ Expense:</b>	27		
Current tax		46.12	287.68
Deferred tax		(594.92)	36.49
<b>Total Tax (Credit)/Expense</b>		<b>(548.80)</b>	<b>324.17</b>
<b>(Loss)/Profit for the year</b>	(A)	<b>(479.43)</b>	<b>147.56</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement loss on defined benefit plans		(0.90)	(4.32)
Income tax impact		0.31	1.51
		<b>(0.59)</b>	<b>(2.81)</b>
Net Gains on FVTOCI Equity Investments	4(d)	7.85	12.12
Income tax impact		(0.69)	(1.53)
		<b>7.16</b>	<b>10.59</b>
<b>Total Other Comprehensive Income (net of tax)</b>	(B)	<b>6.57</b>	<b>7.78</b>
<b>Total Comprehensive (Loss)/Income for the year (net of tax)</b>	(A)+(B)	<b>(472.86)</b>	<b>155.34</b>
Earnings per Share - (Face value of ₹2 each) Basic and Diluted (in ₹)	28	(2.22)	0.68

\*Restated (refer note 42(b))

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Kartikeya Raval**

Partner

**For and on behalf of the Board of Directors****Gautam S. Adani**Chairman and Managing Director  
DIN : 00006273**Rajesh S. Adani**Director  
DIN : 00006322**Karan Adani**Wholtime Director and CEO  
DIN: 03088095**D. Muthukumaran**

Chief Financial Officer

**Kamlesh Bhagia**

Company Secretary

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

## Statement of Changes in Equity for the year ended March 31, 2023

₹ in Crore

Particulars	Equity Share Capital	Equity Component of Non-Cumulative Redeemable Preference shares	Share pending Issuance	Securities Premium	Other Equity				Total		
					Capital Reserve	Debtenture Redemption Reserve	General Reserve	Capital Redemption Reserve		Retained Earnings	Other Comprehensive Income
<b>Balance as at April 1, 2021</b>	<b>406.35</b>	<b>166.53</b>	-	<b>583.54</b>	-	<b>556.69</b>	<b>2,765.97</b>	<b>7.84</b>	<b>17,128.30</b>	<b>186.06</b>	<b>21,801.28</b>
Profit for the year	-	-	-	-	-	-	-	-	147.56	-	147.56
<b>Other Comprehensive income</b>											
Re-measurement loss on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	(2.81)	-	(2.81)
Net Gain on FVTOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	-	-	10.59	10.59
<b>Total Comprehensive income for the year</b>									<b>144.75</b>	<b>10.59</b>	<b>155.34</b>
Issue of equity Shares (refer note 12 (a) (ii))	2.00	-	-	798.00	-	-	-	-	-	-	800.00
Issue of equity Shares pursuant to Composite Scheme of Arrangement (refer note 12 (a) (iii) and 42(a))	14.12	-	-	4,754.10	-	-	-	-	-	-	4,768.22
Loss pursuant to Composite Scheme of Arrangement (refer note 42)	-	-	-	-	(72.43)	-	-	-	-	-	(72.43)
Dividend	-	-	-	-	-	-	-	-	(1,020.88)	-	(1,020.88)
Cost related to the acquisition of Non Controlling Interest (refer note 42 (b))	-	-	-	-	-	-	-	-	(25.51)	-	(25.51)
Equity Shares pending issuance against Composite scheme of arrangement (refer note 42(b))	-	-	3,605.26	-	-	-	-	-	-	-	3,605.26
Transfer to General Reserve	-	-	-	-	-	(46.16)	46.16	-	-	-	-
Transfer to Debtenture Redemption Reserve	-	-	-	-	-	122.21	-	-	(122.21)	-	-
<b>Balance as at March 31, 2022*</b>	<b>422.47</b>	<b>166.53</b>	<b>3,605.26</b>	<b>6,135.64</b>	<b>(72.43)</b>	<b>632.74</b>	<b>2,812.13</b>	<b>7.84</b>	<b>16,104.45</b>	<b>196.65</b>	<b>30,011.28</b>
Loss for the year	-	-	-	-	-	-	-	-	(479.43)	-	(479.43)
<b>Other Comprehensive income</b>											
Re-measurement loss on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	(0.59)	-	(0.59)
Net Gain on FVTOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	-	-	7.16	7.16
<b>Total Comprehensive (Loss)/ income for the year</b>									<b>(480.02)</b>	<b>7.16</b>	<b>(472.86)</b>

# Statement of Changes in Equity for the year ended March 31, 2023

₹ in Crore

Particulars	Equity Share Capital	Equity Component of Non-Cumulative Redeemable Preference shares	Share pending Issuance	Other Equity					Retained Earnings	Other Comprehensive Income	Total
				Securities Premium	Capital Reserve	Debtenture Redemption Reserve	General Reserve	Capital Redemption Reserve			
Issue of equity Shares pursuant to Composite Scheme of Arrangement (refer note 12 (a) (iii) and 42(b))	9.56	-	(3,605.26)	3,595.70	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	(1,056.19)	-	(1,056.19)
Deemed investment for consideration paid for acquisition of Non Controlling Interest ("NCI") (refer note 4) (p))	-	-	-	-	-	-	-	-	220.46	-	220.46
Transfer to General Reserve	-	-	-	-	-	(41.17)	41.17	-	-	-	-
Transfer to Debtenture Redemption Reserve	-	-	-	-	-	109.88	-	-	(109.88)	-	-
<b>Balance as at March 31, 2023</b>	<b>432.03</b>	<b>166.53</b>	<b>-</b>	<b>9,731.34</b>	<b>(72.43)</b>	<b>701.45</b>	<b>2,853.30</b>	<b>7.84</b>	<b>14,678.82</b>	<b>203.81</b>	<b>28,702.69</b>

\*Restated (refer note 42(b))

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Kartikeya Raval**

Partner

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

**Gautam S. Adani**

Chairman and Managing Director

DIN : 00006273

**Rajesh S. Adani**

Director

DIN : 00006322

**Karan Adani**

Wholtime Director and CEO

DIN: 03088095

**D. Muthukumar**

Chief Financial Officer

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad

Date : May 30, 2023

## Statement of Cash Flows for the Year ended March 31, 2023

₹ in Crore

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022*
<b>A. Cash Flows from Operating Activities</b>		
Net (Loss)/Profit before Tax	(1,028.23)	471.73
Adjustments for :		
Depreciation and Amortisation Expense	612.98	599.61
Unclaimed Liabilities / Excess Provision Written Back	(0.86)	(0.16)
Cost of assets transferred under Finance Lease	3.67	1.29
Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(63.01)	(62.24)
(Gain)/Loss on fair valuation of Financial Instruments	(7.49)	12.53
Financial Guarantees Income	(8.54)	(11.14)
Amortisation of Government Grant	(0.10)	(0.09)
Finance Costs	2,769.50	2,509.36
Derivative (Gain) (net)	(89.11)	(15.70)
Effect of exchange rate change	2,330.29	895.42
Profit on sale of Long term Investment	-	(63.76)
De-recognition of Services Exports from India Scheme receivables (refer note 41)	-	120.60
Allowance for Doubtful Inter Corporate Deposits (net), Interest, Perpetual Debt and Investment (refer note 4 (b) (ii) & 47)	1,558.16	491.17
Interest Income	(1,878.82)	(2,291.26)
Dividend Income	(1,010.19)	(95.85)
Net gain on sale of Current Investment	(10.91)	(0.92)
Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
Loss/(Gain) on Sale / Discard of Property, Plant and Equipment (net)	0.62	(1.35)
<b>Operating Profit before Working Capital Changes</b>	<b>3,179.68</b>	<b>2,560.96</b>
Adjustments for :		
(Increase)/Decrease in Trade Receivables	(143.20)	195.23
Decrease/(Increase) in Inventories	0.22	(6.62)
Increase in Financial Assets	(335.65)	(158.14)
(Increase)/Decrease in Other Assets	(123.00)	181.79
Increase in Provisions	7.58	1.79
Increase in Trade and Other Payables	118.67	260.52
(Decrease)/Increase in Financial Liabilities	(153.35)	333.01
Increase/(Decrease) in Other Liabilities	40.34	(3.86)
<b>Cash Generated from Operations</b>	<b>2,591.29</b>	<b>3,364.68</b>
Direct Taxes Refund / (paid) (Net of Refunds)	122.74	(352.63)
<b>Net Cash generated from Operating Activities (A)</b>	<b>2,714.03</b>	<b>3,012.05</b>
<b>B. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment (Including capital work-in-progress, other Intangible assets, capital advances and capital creditors)	(2,539.42)	(633.77)
Proceeds from Sale of Property, Plant and Equipment	0.92	0.34
Investments made in Subsidiaries/Joint Ventures	(8,620.85)	(8,001.39)
Redemption/Sale of Investment in Subsidiary	1,000.00	116.27
Deposit given against Capital Commitments	-	(687.00)
Refund of deposit given against Capital Commitments	777.00	160.00
Loans / Inter Corporate Deposits (ICDs) given (refer foot note 3)	(24,975.27)	(39,363.73)
Loans / Inter Corporate Deposits (ICDs) received back (refer foot note 3)	24,970.10	40,607.30
Redemption of Deposit from/(Deposits in) Bank (net) (including margin money deposits)	1,368.16	(3,099.19)
Proceeds from Divestment of Business Undertaking	1,461.00	188.65

## Statement of Cash Flows for the Year ended March 31, 2023

₹ in Crore

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022*
Proceeds from sale of Investments in Mutual Fund (net)	10.91	0.92
Investment in Financial Instruments (net)	-	(216.01)
Dividend Received	1,010.19	95.85
Interest Received	1,512.28	2,028.57
<b>Net Cash used in Investing Activities (B)</b>	<b>(4,024.98)</b>	<b>(8,803.19)</b>
<b>C. Cash Flows from Financing Activities</b>		
Proceeds from Non-Current Borrowings	12,895.27	12,947.86
Repayment of Non-Current Borrowings	(10,095.06)	(4,500.94)
(Repayment of)/Proceeds from Current Borrowings (net)	(2,690.00)	1,686.82
Proceeds from Issue of new equity shares	-	800.00
Interest & Finance Charges Paid	(2,588.99)	(2,602.84)
Repayment of lease liabilities	(4.90)	(19.20)
Gain on settlement / cancellation of derivative contracts	87.78	17.16
Payment of Dividend on Equity and Preference Shares	(1,055.75)	(1,020.42)
<b>Net Cash (used in)/generated from Financing Activities (C)</b>	<b>(3,451.65)</b>	<b>7,308.44</b>
<b>D. Net (decrease)/increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(4,762.60)</b>	<b>1,517.30</b>
<b>E. Cash and Cash Equivalents at the Beginning of the Year</b>	<b>4,828.04</b>	<b>3,310.74</b>
<b>F. Cash and Cash Equivalents at the End of the Year (refer note 11)</b>	<b>65.44</b>	<b>4,828.04</b>
<b>Components of Cash &amp; Cash Equivalents (refer note 11)</b>		
Cash on Hand	0.04	0.04
Balances with Banks		
- In Current Accounts	65.40	4,827.00
- In Fixed Deposit Accounts	-	1.00
<b>Cash and Cash Equivalents at the end of the year</b>	<b>65.44</b>	<b>4,828.04</b>

\*Restated (refer note 42(b))

Summary of significant accounting policies refer note 2.2

**Notes:**

- The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- 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 (16)(a).
- During the year, the company has given loans/Inter Corporate Deposits (Loans and ICDs) with contractual maturity of less than twelve months amounting to ₹17,353.85 crores, where repayments have been guaranteed by a related party. Loan and ICDs of ₹17,478.85 crores have been recovered along with interest during the year.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Kartikaya Raval**

Partner

**For and on behalf of the Board of Directors****Gautam S. Adani**

Chairman and Managing Director

DIN : 00006273

**Karan Adani**

Wholtime Director and CEO

DIN: 03088095

**Kamlesh Bhagia**

Company Secretary

**Rajesh S. Adani**

Director

DIN : 00006322

**D. Muthukumar**

Chief Financial Officer

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

## 1 Corporate information

The financial statements comprise financial statements of Adani Ports and Special Economic Zone Limited ("the Company" or "APSEZL") (CIN : L63090GJ1998PLC034182) for the year ended March 31, 2023. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad-382421.

The Company is in the business of development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Port at Mundra. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional port terminals and south port terminal infrastructure facilities which are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years period effective from February 17, 2001. At Mundra, the Company has expanded port infrastructure facilities at West Basin through GoG approval for which the concession period will be effective till the year 2040, primarily to handle coal cargo. The said supplementary concession agreement is in the process of getting signed with GoG and GMB although Coal terminal at Wandh is recognized as commercially operational w.e.f. February 01, 2011.

The first Container Terminal facility (CT-1) developed at Mundra, was transferred under a Sub-Concession Agreement entered on January 7, 2003 between Mundra International Container Terminal Limited (MICTL) and the Company in line with the Concession Agreement, wherein the ownership of the asset (CT 1) was transferred by the Company to the MICTL. MICTL was given rights to handle container cargo at the CT 1 Terminal for a period that was co-terminus with the Concession Agreement of Mundra Port, i.e. till February 16, 2031. The container terminal facilities developed at South Port location include CT-3, for development of which the Company had entered into an agreement with the Adani International Container Terminal Private Limited (AICTPL), a 50:50 Joint Venture between the Company and Mundi Limited (subsidiary of (Mediterranean Shipping Company) MSC shipping line). AICTPL is

a sub-concessionaire as per the arrangement and the ownership of the CT 3 Terminal is transferred to AICTPL in line with the Sub-Concession Agreement dated October 17, 2011. The period of the said Sub-Concession Agreement is also co-terminus with the Concession Agreement of Mundra Port, and during the said period AICTPL can handle container cargo at CT 3 terminal. In the financial year 2017-18, Sub-Concession Agreement was entered into for the extension of CT 3 Terminal. This terminal, an extension of CT 3 was developed and ownership of the same was also transferred to AICTPL in line with the above. Operations commenced at CT 3 Extension w.e.f. November 01, 2017.

As part of South Port, the third Container Terminal is CT 4, the ownership of this terminal is also transferred after development to a sub-concessionaire in line with the Mundra Concession Agreement; who in this case is Adani CMA Mundra Terminal Private Limited (ACMTPL), a 50:50 Joint Venture between the Company and CMA Terminals, France (joint venture agreement dated July 30, 2014). The company has already obtained sub-concessionaire approval from GMB/GoG for container terminals that are developed and operated under sub-concession route. However, the Sub-Concession Agreements for Terminals of CT 3, CT 3 Extension and CT 4 are to be approved by GOG for the final signing between parties and GMB as confirming party.

The Multi Product Special Economic Zone developed at Mundra by the Company along with port infrastructure facilities is approved by the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 and subsequently amended from time to time till date. The Company has also set up Free Trade and Warehousing Zone at Mundra based on approval of Ministry of Commerce and Industry vide letter no.F.1/16/2011-SEZ dated January 04, 2012. The Company has also set up additional Multi Product Special Economic Zone at Mundra Taluka over an area of 1,856 hectares as per approval from Ministry of Commerce and Industry vide approval letter dated April 24, 2015. The Company has received single notification consolidating all three notified SEZ in Mundra vide letter dated March 15, 2016 of Ministry of Commerce and Industry, Department of Commerce (SEZ Section).

The financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2023.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

## 2 Basis of Preparation

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

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

### 2.2 Summary of significant accounting policies

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

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

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

#### 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.

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 and for non recurring fair value measurement, such as an assets under the scheme of business undertaking.

External valuers are involved for valuation of significant assets, such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities. Involvement of external valuers is decided upon annually by the Management and in specific cases after discussion with and approval by the Company's Audit Committee. 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.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 34.2 and 2.3)
- Quantitative disclosures of fair value measurement hierarchy (refer note 34.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 34.1)

### d) Revenue recognition

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.

#### 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.

### 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 .

### 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 other income in the statement of profit and loss.

### Dividends

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

### 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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

Waterfront royalty on cargo under the concession agreement is paid at concessional rate in terms of rate prescribed by Gujarat Maritime Board (GMB) and notified in official gazette of Government of Gujarat, wherever applicable.

### f) Taxes

Tax expense comprises of current income tax and deferred tax.

#### Current income tax

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

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

#### 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, deferred tax is not recognised 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.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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

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 charged to statement of profit or loss as incurred.

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

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

Depreciation 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 and assessment made by expert. The identified component of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Assets	Estimated Useful life
Leasehold Land Development	Over the balance period of Concession Agreement and approved Supplementary Concession Agreement by Gujarat Maritime board as applicable
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement
Dredging Pipes - Plant and Machinery	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Equipment	4 Years and 10 Years respectively
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Machinery	6 Years
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Drains & Culverts	25 Years as per concession agreement
Carpeted Roads - Other than RCC	10 Years
Tugs	20 Years as per concession agreement

At the end of the sub-concession agreement and supplementary concession agreement, all contracted immovable and movable assets shall be transferred to and shall vest in Gujarat Maritime Board ('GMB') for consideration equivalent to the Depreciated Replacement Value (the 'DRV'). Currently DRV is not determinable, accordingly, residual value of contract asset is considered to be the carrying value based on depreciation rates as per management estimate/ Schedule II of the Companies Act, 2013 at the end of concession period.

An item of property, plant and equipment covered under Concession agreement, sub-

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

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

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

### h) Intangible assets

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 either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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

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

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

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

Intangible Assets	Method of Amortisation	Estimated Useful life
Software applications	on straight line basis	5 Years based on management estimate
Railway License	on straight line basis	35 Years based on validity of license

## i) Borrowing costs

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

regarded as an adjustment to the borrowing costs.

## j) Leases

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

### Company as a lessee

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

### i) Right-of-Use Assets

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

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

### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

## k) Inventories

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

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

Goodwill is tested for impairment annually as at every year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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

#### General

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

#### Operational Claim provisions

Provisions for operational claims are recognised when the service is provided to the customer. Further recognition is based on historical experience. The initial estimate of operational claim related cost is revised annually.

### 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.

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus in case of financial asset

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

### 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.

### 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 the Standalone Financial Statements

for the year ended March 31, 2023

### Derecognition

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

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

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

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

### Impairment of financial assets

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

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

- b) 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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

does not reduce impairment allowance from the gross carrying amount.

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

### Financial liabilities

#### Initial recognition and measurement

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

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

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

#### Subsequent measurement

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

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

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

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to

changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit 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.

#### Loans and borrowings

After initial recognition at fair value, 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 company 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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

## **Derecognition**

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

## **Reclassification of financial assets**

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

## **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) 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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

allocation of proceeds to the liability and equity components when the instruments are initially recognised.

## r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks & 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.

## s) Cash dividend to equity holders of the company

The Company recognises a liability for payment of dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## t) 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 for 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.

## u) Business Combination

Business Combination has been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes fair value of

any contingent considerations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at the fair value on the date of acquisition.

Transaction costs that the Company incurs in connection with a business combination are expensed as incurred.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect their fair values or recognise any new assets or liabilities. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve and presented separately from other capital reserves.

If the initial accounting for a business combination is incomplete by the end of reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

## v) Non-current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

### w) Amended standards adopted by the Company

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

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

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

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

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

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

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

The amendments have substituted the reference to the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards with the reference to the Conceptual Framework for Financial

Reporting under Indian Accounting Standards (Conceptual Framework), without changing the accounting requirements for business combinations.

#### 4. Subsidiary as a first-time adopter of Ind AS (Ind AS 101, First-time Adoption of Indian Accounting Standards)

If a subsidiary, joint venture or associate (together termed as subsidiary) adopts Ind AS later than its parent and applies paragraph D16(a) of Ind AS 101, then the subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transitions to Ind AS.

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

For the purpose of performing the '10 per cent test' for derecognition of financial liabilities, in determining fees paid, the borrower includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

#### 6. Taxation in fair value measurements (Ind AS 41, Agriculture)

The amendment removes the requirement to exclude cash flows for taxation when measuring fair value and thereby aligns the fair value measurement requirements in Ind AS 41 with those in Ind AS 113, Fair Value Measurement.

### 2.3 Significant accounting judgements, 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

## (A) Judgements

In the process of applying the accounting policies, management has made the following judgements, which has the most significant effect on the financial statements:

### (i) Entities in which the Company holds less than a majority of voting rights (de facto control):-

- a) The Company owns 49% ownership interest in Dholera Infrastructure Private Limited ("DIPL"). The Company has entered into an agreement with the other shareholders of the DIPL basis which the directors of the Company have assessed that it has the practical ability to direct the relevant activities of DIPL unilaterally and therefore Company has control over DIPL and considered as subsidiary.
- b) The Company along with its subsidiary owns 49% ownership interest in Mundra Solar Technopark Private Limited. The Company took control over business against outstanding receivables from the said entity. The Company also exercises control over board of the said entity pursuant to a shareholder agreement consequential to which the Company has considered as subsidiary.
- c) The Company along with its subsidiary owns 48.97% ownership interest in Mundra LPG Terminal Private Limited ("MLTPL"). Considering the further investment in equity instrument in April 2022, the Company has obtained management and operational control of MLTPL and the same has been considered as subsidiary.

## (B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its

assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when 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. Refer note 4 (b).

### 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 27.

### 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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

value of financial instruments. Refer note 34 for further disclosures.

### **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.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress

#### Note 3(a) Property, Plant and Equipment

₹ In Crore

Particulars	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Leasehold Land Development	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Railway Wagons	Tugs and Boats	Project Assets	Total
<b>Cost</b>															
<b>As at April 1, 2021</b>	<b>582.17</b>	<b>2,347.66</b>	<b>98.66</b>	<b>329.57</b>	<b>100.25</b>	<b>3,421.40</b>	<b>186.80</b>	<b>20.48</b>	<b>2,612.53</b>	<b>1,919.81</b>	<b>297.32</b>	-	<b>17.99</b>	<b>978.32</b>	<b>12,912.96</b>
Additions pursuant to Composite Scheme of Arrangement (refer note 42(b))	122.16	974.81	0.09	-	0.48	637.82	0.83	5.14	419.04	-	-	-	-	-	2,160.37
Additions	60.29	25.55	19.20	12.71	8.17	296.15	5.85	4.84	63.53	0.29	-	267.99	0.47	50.86	815.90
Deductions/Adjustment	(1.31)	-	-	-	-	(85.36)	(0.09)	(0.63)	-	-	-	(267.99)	-	(1.28)	(356.66)
Exchange difference	-	-	-	-	-	0.33	-	-	-	-	-	-	-	1.05	1.38
Transfer pursuant to Composite Scheme of Arrangement (refer note 42)	(122.16)	(1,102.28)	(0.09)	-	(0.49)	(674.23)	(1.09)	(5.14)	(419.04)	-	(297.32)	-	-	-	(2,621.84)
<b>As at March 31, 2022</b>	<b>641.15</b>	<b>2,245.74</b>	<b>117.86</b>	<b>342.28</b>	<b>108.41</b>	<b>3,596.11</b>	<b>192.30</b>	<b>24.69</b>	<b>2,676.06</b>	<b>1,920.10</b>	-	-	<b>18.46</b>	<b>1,028.95</b>	<b>12,912.11</b>
Additions	42.94	71.76	10.70	15.94	22.03	396.84	5.46	194.55	20.24	0.17	-	457.18	1.62	38.40	1,277.83
Deductions/Adjustment	(0.01)	(2.81)	(7.42)	-	(1.16)	(96.75)	-	(6.84)	-	-	-	(457.18)	-	(0.65)	(572.82)
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.47)	(0.47)
<b>As at March 31, 2023</b>	<b>684.08</b>	<b>2,314.69</b>	<b>121.14</b>	<b>358.22</b>	<b>129.28</b>	<b>3,896.20</b>	<b>197.76</b>	<b>212.40</b>	<b>2,696.30</b>	<b>1,920.27</b>	-	-	<b>20.08</b>	<b>1,066.23</b>	<b>13,616.65</b>
<b>Accumulated Depreciation</b>															
<b>As at April 1, 2021</b>	-	<b>577.57</b>	<b>48.75</b>	<b>96.87</b>	<b>49.61</b>	<b>1,131.33</b>	<b>41.62</b>	<b>13.83</b>	<b>251.27</b>	<b>192.09</b>	<b>158.71</b>	-	<b>9.87</b>	<b>496.01</b>	<b>3,067.53</b>
Depreciation for the year	-	78.36	18.68	16.48	16.76	235.18	19.42	1.89	52.72	41.66	-	0.10	1.53	87.83	570.61
Deductions/Adjustment	-	-	-	-	-	(56.92)	(0.07)	(0.61)	-	-	-	(0.10)	-	(1.15)	(58.85)
Transfer pursuant to Composite Scheme of Arrangement (refer note 42 (a))	-	(29.02)	-	-	(0.01)	(16.97)	(0.12)	-	-	-	(158.71)	-	-	-	(204.83)
<b>As at March 31, 2022</b>	-	<b>626.91</b>	<b>67.43</b>	<b>113.35</b>	<b>66.36</b>	<b>1,292.62</b>	<b>60.85</b>	<b>15.11</b>	<b>303.99</b>	<b>233.75</b>	-	-	<b>11.40</b>	<b>582.69</b>	<b>3,374.46</b>
Depreciation for the year	-	76.55	19.20	16.91	18.45	238.26	19.83	5.41	53.64	41.31	-	-	1.47	73.01	564.04

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (contd.)

Particulars	₹ In Crore													Total	
	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Leasehold Land Development	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Railway Wagons	Tugs and Boats		Project Assets
Deductions/Adjustment	-	(1.34)	(7.42)	-	(1.16)	(39.23)	-	(6.72)	-	-	-	-	-	(0.42)	(56.29)
<b>As at March 31, 2023</b>	<b>-</b>	<b>702.12</b>	<b>79.21</b>	<b>130.26</b>	<b>83.65</b>	<b>1,491.65</b>	<b>80.68</b>	<b>13.80</b>	<b>357.63</b>	<b>275.06</b>	<b>-</b>	<b>-</b>	<b>12.87</b>	<b>655.28</b>	<b>3,882.21</b>
<b>Net Block</b>															
As at March 31, 2022	641.15	1,618.83	50.43	228.93	42.05	2,303.49	131.45	9.58	2,372.07	1,686.35	-	-	7.06	446.26	9,537.65
<b>As at March 31, 2023</b>	<b>684.08</b>	<b>1,612.57</b>	<b>41.93</b>	<b>227.96</b>	<b>45.63</b>	<b>2,404.55</b>	<b>117.08</b>	<b>198.60</b>	<b>2,338.67</b>	<b>1,645.21</b>	<b>-</b>	<b>-</b>	<b>7.21</b>	<b>410.95</b>	<b>9,734.44</b>

- i) Depreciation of ₹0.56 crore (previous year ₹14.98 crore) relating to the project assets has been allocated to Capitalisation / Capital Work-in-Progress.
- ii) Plant and Equipment includes cost of Water Pipeline amounting to ₹3.37 crore (Gross) (previous year ₹3.37 crore), accumulated depreciation ₹2.87 crore (previous year ₹2.75 crore) which is constructed on land not owned by the Company.
- iii) Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹180.18 crore (Gross) (previous year ₹180.18 crore), accumulated depreciation ₹71.53 crore (previous year ₹62.85 crore).  
The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.
- iv) Reclaimed land measuring 1093.53 hectare are pending to be registered in the name of the Company.
- v) Project Assets includes dredgers and earth moving equipments.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (contd.)

vi) Free Hold and Lease Hold Land includes Land given on Operating Lease Basis:

Gross Block as at March 31, 2023 : ₹6.71 crore (previous year : ₹6.71 crore)

Accumulated Depreciation as at March 31, 2023 : ₹0.47 crore (previous year : ₹0.41 crore)

Net Block as at March 31, 2023 : ₹6.24 crore (previous year : ₹6.30 crore)

vii) Refer footnote to note 14 and 18 for security / charges created.

viii) Following is the details of immovable properties not held in the name of the Company

₹ In Crore

Relevant line items in the Balance sheet	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter or director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipment	Reclaimed Land	180.18	NA	NA	NA	Reclaimed land allotment is being processed by Government of Gujarat (GOG).

#### Note 3(b) Right-of-use assets

₹ In Crore

Particulars	Land	Building	Total
<b>Cost</b>			
<b>As at April 1, 2021</b>	<b>346.66</b>	<b>60.42</b>	<b>407.08</b>
Additions pursuant to Composite Scheme of Arrangement (refer note 42 (b))	28.96	-	28.96
Additions	57.41	-	57.41
Deductions/Adjustment	(0.32)	-	(0.32)
Transfer pursuant to Composite Scheme of Arrangement (refer note 42)	(54.05)	-	(54.05)
<b>As at March 31, 2022</b>	<b>378.66</b>	<b>60.42</b>	<b>439.08</b>
Deductions/Adjustment	(0.09)	-	(0.09)
<b>As at March 31, 2023</b>	<b>378.57</b>	<b>60.42</b>	<b>438.99</b>
<b>Accumulated Depreciation</b>			
<b>As at April 1, 2021</b>	31.19	11.32	42.51
Depreciation for the year	22.09	5.66	27.75
Deductions/Adjustment	(0.16)	-	(0.16)
Transfer pursuant to Composite Scheme of Arrangement (refer note 42(a))	(3.03)	-	(3.03)
<b>As at March 31, 2022</b>	<b>50.09</b>	<b>16.98</b>	<b>67.07</b>
Depreciation for the year	22.06	5.66	27.72
Deductions/Adjustment	(0.05)	-	(0.05)
<b>As at March 31, 2023</b>	<b>72.10</b>	<b>22.64</b>	<b>94.74</b>
<b>Net Block</b>			
As at March 31, 2022	328.57	43.44	372.01
<b>As at March 31, 2023</b>	<b>306.47</b>	<b>37.78</b>	<b>344.25</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (contd.)

- (i) As a part of concession agreement for development of port and related infrastructure at Mundra, the Company has been allotted land on lease basis by Gujarat Maritime Board (GMB). The Company has recorded rights in the GMB Land at present value of future annual lease payments in the books and classified the same as Right-of-Use assets.
- (ii) Refer footnote to note 14 and 18 for security / charges created.

#### Note 3(c) Other Intangible Assets

₹ In Crore

Particulars	Software	Railway License	Right to Operate	Total
<b>Cost</b>				
<b>As at April 1, 2021</b>	<b>76.82</b>	<b>5.00</b>	<b>-</b>	<b>81.82</b>
Additions pursuant to Composite Scheme of Arrangement (refer note 42(b))	0.57	-	3,086.70	3,087.27
Additions	72.97	-	-	72.97
Transfer pursuant to Composite Scheme of Arrangement (refer note 42(b))	(0.57)	-	(3,086.70)	(3,087.27)
<b>As at March 31, 2022</b>	<b>149.79</b>	<b>5.00</b>	<b>-</b>	<b>154.79</b>
Additions	3.81	-	-	3.81
Deductions/Adjustment	(1.25)	-	-	(1.25)
<b>As at March 31, 2023</b>	<b>152.35</b>	<b>5.00</b>	<b>-</b>	<b>157.35</b>
<b>Accumulated Amortisation</b>				
<b>As at April 1, 2021</b>	<b>54.10</b>	<b>0.31</b>	<b>-</b>	<b>54.41</b>
Amortisation for the year	16.09	0.14	-	16.23
<b>As at March 31, 2022</b>	<b>70.19</b>	<b>0.45</b>	<b>-</b>	<b>70.64</b>
Amortisation for the year	21.64	0.14	-	21.78
Deductions/Adjustment	(1.25)	-	-	(1.25)
<b>As at March 31, 2023</b>	<b>90.58</b>	<b>0.59</b>	<b>-</b>	<b>91.17</b>
<b>Net Block</b>				
As at March 31, 2022	79.60	4.55	-	84.15
<b>As at March 31, 2023</b>	<b>61.77</b>	<b>4.41</b>	<b>-</b>	<b>66.18</b>

- i) Refer footnote to note 14 and 18 for security / charges created.

#### Note 3(d) Goodwill

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Carrying value at the beginning</b>	<b>44.86</b>	<b>44.86</b>
Additions pursuant to Composite Scheme of Arrangement (refer note 42(b))	-	790.86
Transfer pursuant to Composite Scheme of Arrangement (refer note 42(b))	-	(790.86)
<b>Carrying value at the end</b>	<b>44.86</b>	<b>44.86</b>

- i) Goodwill arising on amalgamation of Adani Ports Limited, acquired through business combination pertains to cash generating units (CGUs) which are part of 'Port and SEZ' activities segment. The goodwill is tested for impairment annually. As at March 31, 2023 and March 31, 2022 the goodwill is not impaired.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (contd.)

The recoverable amount of the CGUs are determined from value-in-use calculation. The key assumptions for the value-in-use calculations are those regarding the discount rate, growth rates and expected changes to direct costs during the year. Management estimates discount rate using pre-tax rates that reflect current market assessments of the time value of money. The growth rate are based on management's forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. The Company prepares its forecasts based on the most recent financial budget approved by management with projected revenue growth rates. The management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount. Goodwill is attributable to future growth of business out of synergies.

ii) Refer footnote to note 14 and 18 for security / charges created.

#### Note 3(e) Capital Work-in-Progress (CWIP)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Opening</b>	<b>614.08</b>	<b>590.23</b>
Additions pursuant to Composite Scheme of Arrangement (refer note 42(b))	-	0.30
Additions	1,305.27	934.22
Capitalised during the year	(1,281.64)	(907.41)
Transfer pursuant to Composite Scheme of Arrangement (refer note 42)	-	(3.26)
<b>Closing</b>	<b>637.71</b>	<b>614.08</b>

(i) Refer footnote to note 14 and 18 for security / charges created.

#### Capital Work-in-Progress (CWIP) Ageing

##### As at March 31, 2023

Particulars	₹ In Crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	465.80	79.67	19.09	73.15	637.71
<b>Total</b>	<b>465.80</b>	<b>79.67</b>	<b>19.09</b>	<b>73.15</b>	<b>637.71</b>

##### As at March 31, 2022

Particulars	₹ In Crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	242.84	119.40	129.16	122.68	614.08
<b>Total</b>	<b>242.84</b>	<b>119.40</b>	<b>129.16</b>	<b>122.68</b>	<b>614.08</b>

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

There are no temporarily suspended projects.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 4 Non - Current Investments

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Unquoted</b>		
<b>In Equity Shares of Company [(Investment at fair value through OCI) (refer note (d) below)]</b>		
5,00,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹10 each of Kutch Railway Company Limited	282.85	275.00
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Dhamra LPG Terminal Private Limited	0.05	0.05
10,00,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Karaikal Port Private Limited (refer note (n) below)	1.00	-
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of NQXT Port Pty Limited (formerly known as Mundra Port Pty Limited)	*-	*-
<b>Total FVTOCI Investment</b>	<b>283.90</b>	<b>275.05</b>
<b>In Equity Shares of subsidiaries (valued at cost)</b>		
65,50,00,000 (previous year 65,50,00,000) fully paid Equity Shares of ₹10 each of Adani Logistics Limited (refer note (e) below)	739.51	735.85
25,61,53,846 (previous year 25,61,53,846) fully paid Equity Shares of ₹10 each of Adani Petronet (Dahej) Port Limited (Formerly known as Adani Petronet (Dahej) Port Private Limited)**	256.15	256.15
24,50,000 (previous year 24,50,000) fully paid Equity Shares of ₹10 each of Mundra SEZ Textile and Apparel Park Private Limited	2.45	2.45
4,50,00,000 (previous year 4,50,00,000) fully paid Equity Shares of ₹10 each of Karnavati Aviation Private Limited (refer note (e) below)	62.95	62.95
11,58,88,500 (previous year 11,58,88,500) fully paid Equity Shares of ₹10 each of Adani Murmugao Port Terminal Private Limited (refer note (b) (iii) below)	115.89	115.89
35,00,000 (previous year 35,00,000) fully paid Equity Shares of ₹10 each of Mundra International Airport Private Limited (refer note (e) below)	3.86	3.86
71,54,70,000 (previous year 71,54,70,000) fully paid Equity Shares of ₹10 each of Adani Hazira Port Limited (refer note (a) below) (Formerly known as Adani Hazira Port Private Limited)	715.47	715.47
10,12,80,000 (previous year 10,12,80,000) fully paid Equity Shares of ₹10 each of Adani Vizag Coal Terminal Private Limited (refer note (b) (i) below)	101.28	101.28
12,00,50,000 (previous year 12,00,50,000) fully paid Equity Shares of ₹10 each of Adani Kandla Bulk Terminal Private Limited (refer note (b) (ii) and (c) below)	120.05	120.05
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Warehousing Service Private Limited	0.05	0.05
3,00,000 (previous year 3,00,000) fully paid Equity Shares of ₹10 each of Adani Hospitals Mundra Private Limited (refer note (e) below)	0.72	0.72
31,50,00,000 (previous year 19,20,00,000) fully paid Equity Shares of ₹10 each of Adani Ennore Container Terminal Private Limited	315.00	192.00
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)	0.05	0.05

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 4 Non - Current Investments (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
13,50,50,000 (previous year 13,50,50,000) fully paid Equity Shares of ₹10 each of Shanti Sagar International Dredging Limited (refer note (e) below) (Formerly known as Shanti Sagar International Dredging Private Limited )	142.40	142.40
89,70,00,000 (previous year 89,70,00,000) fully paid Equity Shares of ₹10 each of Adani Vizhinjam Port Private Limited (refer note (e) below)	907.00	902.00
114,80,00,000 (previous year 114,80,00,000 ) fully paid Equity Shares of ₹10 each of The Dhamra Port Company Limited (refer note (a) and (e) below)	2,811.22	2,811.22
1,01,000 (previous year 1,01,000) fully paid Equity Shares of AUD 1 each of Abbot Point Operations Pty Limited (refer note (e) below)	12.84	12.84
5,76,92,155 (previous year 5,76,92,155) fully paid Equity Shares of ₹10 each of The Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Private Limited)	106.26	106.26
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Madurai Infrastructure Private Limited	0.05	0.05
11,850 (previous year 11,850) fully paid Equity Shares of ₹100 each of Adinath Polyfills Private Limited	38.51	38.51
4,900 (previous year 4,900) fully paid Equity Shares of ₹10 each of Dholera Infrastructure Private Limited	*-	*-
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Ports Technologies Private Limited (formerly known as Mundra International Gateway Terminal Private Limited)	0.05	0.05
38,80,00,000 (previous year 38,80,00,000) fully paid Equity Shares of ₹10 each of Marine Infrastructure Developer Private Limited	388.00	388.00
8,85,76,159 (previous year 8,85,76,159) fully paid Equity Shares of ₹10 each of Adani Krishnapatnam Port Limited ("AKPL") (formerly known as Krishnapatnam Port Company Limited) (refer note (e) and (p) below)	6,414.47	6,194.01
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Mundra Crude Oil Terminal Private Limited (formerly known as Adani Bhavanapadu Port Private Limited)	0.05	0.05
Nil (previous year 1,000) fully paid Equity Shares of SGD 1 each of Coastal International Terminals Pte Limited (Formerly known as Adani International Terminals Pte Limited) (refer note (e) below and (47))	-	6.36
5,50,000 (previous year 5,50,000) fully paid Equity Shares of ₹10 each of Mundra Solar Technopark Private Limited (refer note (l) below)	0.56	0.56
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Container Terminal Limited (Formerly known as Adani Pipelines Private Limited)	0.05	0.05
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of HDC Bulk Terminal Limited (refer note (h) below)	0.05	0.05
5,53,409 (previous year 5,53,409) fully paid Equity Shares of BDT 10 each of Adani Bangladesh Ports Private Limited	0.47	0.47
6,000 (previous year 6,000) fully paid Equity Shares of USD 1 each of Anchor Port Holding Pte Limited (formerly known as Adani Mundra Port Holding Pte Limited)	0.04	0.04

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 4 Non - Current Investments (contd.)

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Gangavaram Port Limited (Formerly known as Adani Gangavaram Port Private Limited) (refer note (h) below)	0.05	0.05
10,000 (previous year 10,000) fully paid Equity Shares of ₹10 each of Aqua Desilting Private Limited	0.01	0.01
1,23,05,000 (previous year 5,000) fully paid Equity Shares of USD 1 each of Adani International Ports Holdings Pte Limited (refer note (h) below)	101.25	0.04
10,00,000 fully paid Equity Shares of ₹10 each of Gangavaram Port Services (India) Private Limited (refer note Note 42(b))	1.00	1.00
20,00,01,983 (previous year 20,00,01,983) fully paid Equity Shares of ₹10 each of Adani Tracks Management Services Limited (formerly known as Sarguja Rail Corridor Private Limited) (refer note 42 (a))	4,895.76	4,895.76
8673,00,70,000 (previous year Nil) fully paid Equity Shares of NIS 0.01 each of Mediterranean International Ports A.D.G.D Limited (refer note (j) below)	2,038.46	-
10,00,000 (previous year 10,00,000) fully paid Equity Shares of ₹10 each of Dighi Port Limited	1.00	1.00
50,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Mundra LPG Terminal Private Limited (refer note (m) below)	0.05	-
10,00,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Adani Bulk Terminals (Mundra) Limited (formerly known as Adani Agri Logistics (Bathinda) Limited) (refer note (i) below)	0.04	-
50,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Tajpur Sagar Port Limited (refer note (j) below)	0.05	-
50,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Adani Aviation Fuels Limited (refer note (j) below)	0.05	-
9,60,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Adani Container Manufacturing Limited (Formerly known as Adani Cargo Logistics Limited) (refer note (i) below)	1.16	-
	<b>20,294.33</b>	<b>17,807.55</b>
<b>In Equity Shares of joint ventures (valued at cost)</b>		
32,22,31,817 (previous year 32,22,31,817) fully paid Equity Shares of ₹10 each of Adani International Container Terminal Private Limited (refer note (e) below)	341.03	341.03
5,93,78,278 (previous year 5,93,78,278) fully paid Equity Shares of ₹10 each of Adani CMA Mundra Terminal Private Limited (refer note (a) and (e) below)	63.86	63.86
49,48,28,289 (previous year Nil) fully paid Equity Shares of ₹10 each of Indianoil Adani Ventures Limited (formerly known as Indian Oiltanking Limited) (refer note (o) below)	1,164.75	-
5,26,27,778 (previous year Nil) fully paid Equity Shares of ₹10 each of IOT Utkal Energy Services Limited (refer note (o) below)	39.09	-
	<b>1,608.73</b>	<b>404.89</b>
<b>In Equity Shares of Associate (valued at cost)</b>		
Nil (previous year 50,000) fully paid Equity Shares of ₹10 each of Mundra LPG Terminal Private Limited (refer note (m) below)	-	0.05

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 4 Non - Current Investments (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Investment in Non Cumulative Convertible Debentures of subsidiary (valued at cost) (refer note (k) below)</b>		
245,70,00,000 (previous year 245,70,00,000) 0.01% Non Cumulative Compulsory Convertible Debentures of ₹10 each of The Dhamra Port Company Limited	2,457.00	2,457.00
<b>Investment in Perpetual Non-Cumulative Non-convertible Debentures of subsidiaries (valued at cost) (refer note (f) below)</b>		
120,00,00,000 (previous year 120,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of The Dhamra Port Company Limited	1,200.00	1,200.00
50,00,00,000 (previous year 50,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Adani Logistics Limited	500.00	500.00
40,00,000 (previous year 40,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Adani Hospitals Mundra Private Limited	4.00	4.00
70,00,000 (previous year 70,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Mundra International Airport Private Limited	7.00	7.00
18,50,00,000 (previous year 18,50,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Karnavati Aviation Private Limited	185.00	185.00
110,00,00,000 (previous year 110,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Marine Infrastructure Developer Private Limited	1,100.00	1,100.00
<b>Investment in Perpetual Debt of subsidiaries (valued at cost) (refer note (f) below)</b>		
Adani Logistics Limited	6,958.78	3,703.00
Adani Vizhinjam Port Private Limited	1,581.75	1,274.90
Madurai Infrastructure Private Limited	239.04	233.93
Marine Infrastructure Developer Private Limited	500.00	500.00
Adani Ennore Container Terminal Private Limited	500.00	500.00
Adani Kandla Bulk Terminal Private Limited (refer note (b) (ii) below)	-	250.00
Dighi Port Limited	897.37	764.90
Mundra SEZ Textile and Apparel Park Private Limited	25.00	25.00
Adani Ports Technologies Private Limited	0.04	0.04
Karnavati Aviation Private Limited	115.00	-
Mundra Crude Oil Terminal Private Limited	544.70	207.82
<b>Investment in Compulsory Convertible Participatory Preference Shares (valued at cost)</b>		
68,00,07,962 (previous year 68,00,07,962) Compulsory Convertible Participatory Preference Shares of ₹10 each of Adani Krishnapatnam Port Limited	924.49	924.49
<b>Investment in Optionally Convertible Debentures (valued at cost)</b>		
43,65,88,700 (previous year Nil) 0.01% Optionally Convertible Debentures of ₹10 each of Adani Gangavaram Port Limited (refer note (k) below)	4,365.89	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 4 Non - Current Investments (contd.)

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Investment in Compulsory Convertible Debentures (valued at cost)</b>		
1,28,79,640 (previous year 1,28,79,640 ) Compulsory Convertible Debentures of ₹100 each of Adani Tracks Management Services Limited (formerly known as Sarguja Rail Corridor Private Limited) (refer note 42(a))	152.00	152.00
<b>Investment in Non Convertible Redeemable Debentures (valued at Amortised Cost)</b>		
4,750 (previous year 5,000) 6.25 % Non Convertible Redeemable Debentures of ₹10,00,000 each of Adani Vizhinjam Port Private Limited (refer note 10)	475.00	500.00
<b>Other Investment (Investment valued at fair value through profit and loss)</b>		
Nil unit (previous year 1,14,203) of Special Infrastructure Investment Scheme of ASSIS (refer note 10)	-	1,129.49
	<b>44,919.02</b>	<b>34,106.11</b>
Impairment for Investment in Adani Vizag Coal Terminal Private Limited (refer note (b) (i) below)	(101.28)	(101.28)
Provision for Diminution in value of Perpetual Non-Convertible Debentures of Mundra International Airport Private Limited	(7.00)	(7.00)
Provision for Diminution in value of Perpetual Debt of Adani Kandla Bulk Terminal Private Limited (refer note (b)(ii) below)	-	(250.00)
	<b>44,810.74</b>	<b>33,747.83</b>

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

\*\* The Company has power over the entity and ability to affect its return and hence considered it as subsidiary

#### Notes:

a) Number of Shares pledged with banks against borrowings by the respective companies are as per below.

Particulars	No of Shares Pledged	
	March 31, 2023	March 31, 2022
<b>Subsidiary Companies</b>		
(i) Adani Hazira Port Limited	19,50,00,000	19,50,00,000
(ii) The Dhamra Port Company Limited	34,44,00,000	34,44,00,000
<b>Joint Venture</b>		
(i) Adani CMA Mundra Terminal Private Limited	3,02,82,922	3,02,82,922
	<b>56,96,82,922</b>	<b>56,96,82,922</b>

b) (i) Adani Vizag Coal Terminal Private Limited ("AVCTPL"), a Wholly Owned Subsidiary of the Company is engaged in Port services under concession agreement with Visakhapatnam Port Trust ("VPT"). During the previous year, AVCTPL and VPT had initiated termination on mutual consent as per right under the concession agreement citing force majeure events, which went for arbitration. Both the parties have filed the claim with arbitrators and the final outcome is yet to be decided.

During previous year ended on March 31, 2022, the arbitration tribunal, in its interim order, observed that terminal remaining idle leads to its deterioration and fails to generate any revenue. Hence, terminal should be put to operation without any delay and has directed VPT to release an ad-hoc interim payment to AVCTPL. Based on such directions, ad-hoc payment of ₹155 Crore has been received against handing over the possession, management and operational control of the terminal, leaving open all rights and contentions of both parties for examination at a later stage. Company has reassessed the carrying values of its loan and equity investment in AVCTPL in light of the aforesaid developments and has

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 4 Non - Current Investments (contd.)

continued to carry these balances at values net of impairment provisions amounting to ₹297.38 crore (₹228.85 crore net of tax).

- (ii) Adani Kandla Bulk Terminal Private Limited ("AKBTPL"), a wholly owned subsidiary of the Company, is engaged in providing port services near Tuna outside Kandla creek at Kandla Port under concession from Deendayal Port Trust.

During the previous year, the management of the Company had carried out detailed cash flow projections over the period of the Concession agreement for determining the recoverable value of its Investments in accordance with Ind AS 36 Impairment of Assets. On a careful evaluation, the management of the Company had concluded its assessment and provision for impairment loss amounting to ₹491.23 crore (perpetual securities amounts to ₹250 crore and loans given amounts to ₹241.23 crore including interest accrued ₹101.23 crore as at March 31, 2022) has been recorded as on March 31, 2022 towards the Company's investments and the same has been presented as an exceptional item. During the current year, the Company has written off the said balances in absence of possibility of recovery.

- (iii) The carrying amounts of long-term investments in equity shares of Adani Murmugao Port Terminal Private Limited ("AMPTPL") amounts to ₹115.89 crore as at March 31, 2023 and non-current loans given to AMPTPL amounts to ₹455.98 crore (including interest accrued ₹29.61 crore) as at March 31, 2023. The Company has been providing financial support to AMPTPL to meet its financial obligations as and when required in the form of loans, which are recoverable at the end of the concession period. AMPTPL was undergoing an arbitration with Murmugao Port Trust ("MPT") for revenue share on deemed storage charges and loss of return of capital to AMPTPL due to failure of MPT to fulfil obligations as per concession agreement for a period till financial year 2018-19. Post financial year 2018-19, AMPTPL has received relief in terms of rationalized tariff on storage charges up to March 2021 from authorities and had filed application for similar relief for subsequent year and awaiting approval. During the current year, the arbitration had been concluded which affirmed partial claim of AMPTPL for the loss of return on capital and also upheld revenue share on deemed storage for three-year period. In earlier years, AMPTPL had made provision of ₹134.61 Crore for the revenue share on deemed storage charges against which ₹40.50 Crore would have been payable as per the arbitration order. Both the parties have challenged the arbitration order in commercial court in the month of August 2022. Considering the matter being sub-judice at this stage, no adjustments based on arbitration order has been considered in the current financial statements.

The Company has determined the recoverable amounts of its investments and loans in AMPTPL as at March 31, 2023 by considering a discounted cash flow model. Such determination is based on significant estimates & judgements made by the management as regards the benefits of the rationalization of revenue share on storage income, cargo traffic, port tariffs, inflation, discount rates which have been considered over the remaining concession period and are considered reasonable by the Management. On a careful evaluation of the aforesaid factors, the Company's management has concluded that no provision for impairment in respect of such investments and loans is considered necessary at this stage.

- c) During the year 2016-17, the Company had accounted for purchase of 3,12,13,000 numbers of equity shares of Adani Kandla Bulk Terminal Private Limited at consideration of ₹31.21 crore. The equity shares have been purchased from the Adani Enterprises Limited, a group company whereby this entity has become a wholly owned subsidiary. As per the management, the transfer has been recorded based on Irrevocable Letter of

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 4 Non - Current Investments (contd.)

Affirmation dated March 31, 2017 from the seller and acceptance by the Company although legal transfer of equity share of Adani Kandla Bulk Terminal Private Limited is still in process at year end.

d) Reconciliation of Fair value measurement of the investment in unquoted equity shares

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Opening Balance	275.05	263.54
Fair value Gain recognised in Other Comprehensive Income	7.85	12.12
Mundra LPG Terminal Private Limited became Associate (refer note (m))	-	(0.05)
Mundra Solar Technopark Private Limited became subsidiary (refer note (l))	-	(0.56)
Karaikal Port Private Limited (refer note (n))	1.00	-
<b>Closing Balance</b>	<b>283.90</b>	<b>275.05</b>

e) Value of Deemed Investment accounted in subsidiaries and joint ventures in terms of fair valuation under Ind AS 109

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
i) Adani Logistics Limited	84.41	80.75
ii) Karnavati Aviation Private Limited	17.95	17.95
iii) Mundra International Airport Private Limited	0.36	0.36
iv) Adani Hospitals Mundra Private Limited	0.42	0.41
v) Shanti Sagar International Dredging Limited	7.35	7.35
vi) The Dhamra Port Company Limited	68.54	68.54
vii) Abbot Point Operations Pty Limited	12.33	12.33
viii) Coastal International Terminals Pte Limited	-	6.36
ix) Adani International Container Terminal Private Limited	11.57	11.57
x) Adani CMA Mundra Terminal Private Limited	4.48	4.48
xi) Adani Vizhinjam Port Private Limited	10.00	5.00
xii) Adani Krishnapatnam Port Limited (Refer note (p) below)	220.46	-
	<b>437.87</b>	<b>215.10</b>

f) Investment in Perpetual Non-Cumulative Non-convertible Debenture / Perpetual Debt (carrying interest rate of 7.50%) is redeemable / payable at issuer's option, can be deferred indefinitely and Interest is payable at the discretion of issuer. Accordingly, it is considered as equity instrument.

g) Aggregate amount of unquoted investments as at March 31, 2023 ₹44,810.74 crore (previous year ₹33,747.83 crore).

h) During the previous year, Adani Gangavaram Port Limited, Adani International Ports Holdings Pte. Limited and HDC Bulk Terminal Limited have been incorporated as a wholly owned subsidiary of the Company on July 14, 2021, June 16, 2021 and March 07, 2022 respectively.

i) On November 10, 2022, the Company completed acquisition of Adani Bulk Terminals (Mundra) Limited from Adani Agri Logistics limited and Adani Container Manufacturing Limited from Adani Logistic Services Private Limited

j) Adani Aviation Fuels Limited and Tajpur Sagar Port Limited have been incorporated as a wholly owned subsidiary of the Company on September 29, 2022 and October 21, 2022.

Mediterranean International Ports A.D.G.D Limited ("MIPAL") has been incorporated as subsidiary of the Company on November 13, 2022. MIPAL has acquired 100% stake of Haifa Port Company on January 10, 2023 from the Government of Israel which operates Haifa Port in Israel.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 4 Non - Current Investments (contd.)

- k) Interest is payable at the discretion of issuer and conversion ratio is fixed to fixed at the maturity and same is considered as equity instrument.
- l) On March 30, 2022, Subsidiary of the company, Adani Logistics Limited has acquired 37.95% equity shares of Mundra Solar Technopark Private Limited ("MSTPL") from Adani Green Technology Limited. Subsequently MSTPL has become subsidiary of the Company by virtue of management control.
- m) Ahmedabad Bench of National Company Law Tribunal ("NCLT") through its order dated October 11, 2022 have approved the scheme filed by Mundra LPG Terminal Private Limited ("MLTPL") (in which the Company was investor) to reduce its share capital from ₹110.05 crore to ₹0.10 crore, consequent to which the Company has obtained equity stake of 48.97%.

Since the scheme is effective from filling of resolution dated February 24, 2022, the Company has accounted MLTPL as an investment in associate from that date. Accordingly previous year is restated by considering as associate entity from other entity.

Consequent to the above scheme and further investment in equity instrument by the subsidiary Company in April 2022, MLTPL became step down subsidiary of the Company and has been accounted accordingly.

- n) On March 31, 2023, The National Company Law Tribunal ("NCLT") has passed the order approving the Company ("APSEZ") to be successful resolution applicant for Karaikal Port Private Limited ("KPPL") under Corporate Insolvency Resolution Process ("CIRP") with equity of ₹1 crore and debt of ₹1,485 crore.

As at March 31, 2023 in absence of dissolution of Implementation & Monitoring Committee as defined in NCLT order and pending formulation of new board of directors by the acquirer, the Company was not in a position to exercise control over the KPPL on reporting date. Subsequent to the reporting date, on April 04, 2023, the Board as mentioned above has been formulated by the Company and the Company has exercised the control over KPPL effective from that date

- o) The Company has completed the acquisition of Joint Venture entity, Oiltanking India GmbH's 49.38% equity stake in Indian Oiltanking Limited ("IOTL") and Oiltanking GmbH's 10% equity stake in IOT Utkal Energy Services Limited, a subsidiary of IOTL for the consideration of ₹1,203.84 crore.
- p) In earlier year, AKPL had paid amount towards non-compete fees for acquiring geographical exclusivity for the term of 5 years. As per the provision of Accounting Standards, the Company has reassessed the accounting treatment being transaction linked with acquisition of the remaining stake from NCI for one of the subsidiary. Accordingly, unamortised amount of ₹226.46 crore has been considered as deemed investment and adjusted to retained earning.

### 5 Trade Receivables

(unsecured, unless otherwise stated)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Trade Receivables		
- Considered Good	1,351.71	1,139.63
Less : Allowances for expected credit loss	(77.57)	(57.50)
	<b>1,274.14</b>	<b>1,082.13</b>
Customers' Bills Discounted (refer note (c) below)	257.05	208.24
Other Trade Receivables	1,017.09	873.89
<b>Total Receivables</b>	<b>1,274.14</b>	<b>1,082.13</b>

Refer note 32 for Related Party Balances

#### Notes:

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 5 Trade Receivables (contd.)

- b) Generally, as per credit terms trade receivable are collectable within 30-60 days although the Company provide extended credit period with interest between 7.50% to 9% considering business and commercial arrangements with the customers including with the related parties.
- c) The Carrying amounts of the trade receivables include receivables amounting to ₹257.05 crore (previous year ₹208.24 crore) which are subject to a bills discounting arrangement. Under this arrangement, the Company has transferred the relevant receivables to the bank / financial institution in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account as per the arrangement. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 18.
- d) Trade receivables ageing schedule for March 31, 2023 is as below

₹ In Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	635.27	342.69	160.09	56.82	31.23	125.61	1,351.71
2	Allowances for expected credit loss	-	-	-	-	-	-	(77.57)
	<b>Total</b>							<b>1,274.14</b>

Trade receivables ageing schedule for March 31, 2022 is as below

₹ In Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	503.29	251.68	182.36	56.62	44.88	100.80	1,139.63
2	Allowances for expected credit loss	-	-	-	-	-	-	(57.50)
	<b>Total</b>							<b>1,082.13</b>

### 6 Loans

(Unsecured unless otherwise stated)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Loans to Related Parties</b>				
Considered Good (refer note 4 (b) (iii))	8,715.06	11,984.41	610.52	150.26
Credit impaired (refer note 4 (b) (i) & (ii))	205.01	336.10	-	8.91

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 6 Loans (contd.)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Loans for acquisition</b>				
Considered Good (refer note 4 (n))	1,485.00	-	-	-
<b>Loans to others</b>				
Considered Good (refer note below (i))	-	10.00	83.00	198.00
	<b>10,405.07</b>	<b>12,330.51</b>	<b>693.52</b>	<b>357.17</b>
Less: Allowances for doubtful loans	(205.01)	(336.10)	-	(8.91)
	<b>10,200.06</b>	<b>11,994.41</b>	<b>693.52</b>	<b>348.26</b>

#### Note:

- (i) Loans/ Inter Corporate deposits given from time to time are based on terms approved by the Finance Committee of the Board of Directors of the Company as per the Treasury Policy, as permitted by the Articles of Association, and their repayment along with interest are guaranteed by unconditional and irrevocable Letter of Indemnity and Undertaking by a related party. (Refer note 3 to the Statement of Cashflows, 34.3 (b) of Credit Risk and note 32)

### 7 Other Financial Assets

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Security deposit (refer note 36 (i))				
Considered good	890.41	1,656.38	16.48	18.60
Considered doubtful	-	-	7.27	7.27
	<b>890.41</b>	<b>1,656.38</b>	<b>23.75</b>	<b>25.87</b>
Less: Allowances for Doubtful Deposit	-	-	(7.27)	(7.27)
	<b>890.41</b>	<b>1,656.38</b>	<b>16.48</b>	<b>18.60</b>
Loans and advances to Employees	0.84	1.85	2.19	1.14
Lease Receivable (refer note (i) below)	2,351.03	1,890.38	94.47	63.02
Interest Accrued	88.61	151.32	736.96	617.27
Non Trade receivable	-	-	132.22	5,934.81
Derivatives instruments / Forward Contracts Receivable	-	1.22	29.83	0.34
	<b>3,330.89</b>	<b>3,701.15</b>	<b>1,012.15</b>	<b>6,635.18</b>

#### Note:

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

₹ In Crore

Particulars	March 31, 2023		March 31, 2022	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within one year	261.95	179.40	196.24	148.03
After one year but not later than five years	1,092.53	687.97	823.59	551.98
More than five years	3,654.54	1,578.13	3,311.00	1,253.39
<b>Total minimum lease receivables</b>	<b>5,009.02</b>	<b>2,445.50</b>	<b>4,330.83</b>	<b>1,953.40</b>
Less: Amounts representing finance charges	(2,563.52)	-	(2,377.43)	-
<b>Present value of minimum lease receivables</b>	<b>2,445.50</b>	<b>2,445.50</b>	<b>1,953.40</b>	<b>1,953.40</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 8 Other Assets

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Capital advances (refer note (a) and (c) below)	2,034.37	317.91	-	-
Balance with Government Authorities	4.50	4.50	124.34	106.64
Prepaid Expenses	60.20	7.92	15.80	16.79
Accrued Income	-	-	54.34	51.43
Contract Assets (refer note (b) below)	-	-	106.32	53.45
Advances recoverable other than in cash				
To related party (refer note 32)	-	-	4.51	2.92
To others	-	-	27.94	33.02
Taxes recoverable (net of provision) (refer note 27)	397.87	534.67	-	-
	<b>2,496.94</b>	<b>865.00</b>	<b>333.25</b>	<b>264.25</b>

#### Notes:

- (a) Capital advances includes ₹74.98 crore (previous year ₹139.93 crore) paid to various private parties and government authorities towards purchase of land.
- (b) 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.
- (c) Capital advance is net of allowance for doubtful advance of ₹10.59 crore (previous year ₹10.59 crore).

### 9 Inventories

(At lower of cost and Net realisable value)

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Stores and Spares, Fuel and Lubricants	79.11	79.33
	<b>79.11</b>	<b>79.33</b>

### 10 Current Investments

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Other Investment (Investment valued at fair value through profit and loss) (refer note (4) and note (i) below)</b>		
1,14,203 units (previous year Nil unit) of Special Infrastructure Investment Scheme of ASSIS	1,136.98	-
<b>Investment in Debentures (valued at Amortised Cost) (refer note (i) below)</b>		
250 (previous year Nil) 6.25 % Non Convertible Redeemable Debentures of ₹10,00,000 each of Adani Vizhinjam Port Private Limited	25.00	-
	<b>1,161.98</b>	<b>-</b>
Aggregate carrying value of Special Infrastructure Investment Scheme of ASSIS	1,136.98	-
Aggregate carrying value of unquoted investment in Debentures	25.00	-

#### Note:

- i) Reclassified from Non Current to Current Investment.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 11 Cash and Bank Balances

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Cash and Cash Equivalents</b>				
<b>Balances with banks:</b>				
Balance in current accounts	-	-	65.40	4,827.00
Deposits with original maturity of less than three months	-	-	-	1.00
Cash on hand	-	-	0.04	0.04
	-	-	<b>65.44</b>	<b>4,828.04</b>
<b>Other Bank Balances</b>				
In Current Accounts (earmarked for Unpaid Dividend)	-	-	2.40	1.96
Margin Money Deposits (refer note below)	0.81	1,950.24	1,962.33	1,381.50
	<b>0.81</b>	<b>1,950.24</b>	<b>1,964.73</b>	<b>1,383.46</b>
Amount disclosed under Non - Current Financial Assets in Balance Sheet	(0.81)	(1,950.24)	-	-
	-	-	<b>2,030.17</b>	<b>6,211.50</b>

**Note:** Margin Money Deposits (net of overdraft facilities of ₹3,352.65 crore (Previous year ₹2,009.70 crore)) aggregating to ₹1,963.14 crore (previous year ₹3,331.74 crore) are pledged / lien against bank guarantees, letter of credit and other credit facilities.

### 12 Share Capital

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Authorized share capital</b>		
<b>Equity share capital</b>		
10,47,50,00,000 (previous year 10,47,50,00,000) Equity Shares of ₹2 each	2,095.00	2,095.00
<b>Preference Share Capital</b>		
50,00,000 (previous year 50,00,000) Non-Cumulative Redeemable Preference shares of ₹10 each	5.00	5.00
	<b>2,100.00</b>	<b>2,100.00</b>

**Note:-**

Pursuant to Composite Scheme of Arrangement with Gangavaram Port Limited (GPL), the authorized share capital of the Company has automatically increased by 500,00,00,000 equity shares upon scheme become effective (refer note 42(b)).

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Issued, subscribed and fully paid-up share capital</b>		
2,16,01,38,945 (previous year 2,11,23,73,230) fully paid up Equity Shares of ₹2 each	432.03	422.47
	<b>432.03</b>	<b>422.47</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 12 Share Capital (contd.)

#### a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2023		March 31, 2022	
	No.	₹ In Crore	No.	₹ In Crore
At the beginning of the year	2,11,23,73,230	422.47	2,03,17,51,761	406.35
Add: Issue of equity shares (refer note (ii) below)	-	-	1,00,00,000	2.00
Add: Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note (iii) below)	4,77,65,715	9.56	7,06,21,469	14.12
<b>Outstanding at the end of the year</b>	<b>2,16,01,38,945</b>	<b>432.03</b>	<b>2,11,23,73,230</b>	<b>422.47</b>

#### Notes:

##### i) Terms/rights attached to equity shares

- The Company has only one class of equity share having par value of ₹2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

##### ii) On April 19, 2021, the Company has allotted 1,00,00,000 equity shares having face value of ₹2 each on preferential basis to Windy Lakeside Investment Limited at an issue price of ₹800 per share (including premium of ₹798 per share).

#### For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

##### iii) Aggregate number of 11,83,87,184 (upto March 31, 2022: 7,06,21,469) equity shares of ₹2 each have been allotted, Pursuant to Composite Scheme of Arrangement, (refer note 42).

##### iv) Aggregate number of 3,92,00,000 (upto March 31, 2022: 3,92,00,000) equity shares bought back.

#### b) Equity Component of Non-Cumulative Redeemable Preference shares

Particulars	March 31, 2023		March 31, 2022	
	No.	₹ In Crore	No.	₹ In Crore
At the beginning of the year	25,01,824	166.53	25,01,824	166.53
<b>Outstanding at the end of the year</b>	<b>25,01,824</b>	<b>166.53</b>	<b>25,01,824</b>	<b>166.53</b>

##### i) Terms of Non-Cumulative Redeemable Preference shares

The Company has outstanding 25,01,824 (previous year 25,01,824) 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹10 each issued at a premium of ₹990 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference share holders. These shares are redeemable at an aggregate premium of ₹247.68 crore (previous year ₹247.68 crore) (equivalent to ₹990.00 per share).

In the event of liquidation of the Company, the holder of NCRPS (before redemption) will have priority over equity shares in the payment of dividend and repayment of capital. The preference shares carry fixed dividend which is non-discretionary.

The Preference Shares issued by the Company are classified as Financial Liabilities. These preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised as interest expense using the effective interest method.

The equity component of redeemable preference shares includes the securities premium amount received on issue of preference shares and the preference share capital, redemption premium reserve being created in compliance of the Companies Act, 2013.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 12 Share Capital (contd.)

#### c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	No.	% Holding in the Class	No.	% Holding in the Class
<b>Equity shares of ₹2 each fully paid</b>				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	79,93,53,935	37.84%
ii) Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	13,81,93,549	6.54%
iii) Flourishing Trade and Investment Limited	12,44,54,607	5.76%	11,44,54,607	5.42%
iv) Life Insurance Corporation of India	19,70,26,194	9.12%	20,95,27,194	9.92%
<b>Non-Cumulative Redeemable Preference Shares of ₹10 each fully paid up</b>				
Priti G. Adani	5,00,365	20.00%	5,00,365	20.00%
Shilin R. Adani	5,00,364	20.00%	5,00,364	20.00%
Pushpa V. Adani	5,00,365	20.00%	5,00,365	20.00%
Ranjan V. Adani	5,00,455	20.00%	5,00,455	20.00%
Suvarna M. Adani	5,00,275	20.00%	5,00,275	20.00%

#### d) Details of Equity Shares held by Promoter and Promoter Group at the end of the year

##### As at March 31, 2023

Sr No	Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
1	Gautambhai Shantilal Adani	1	0.00%	-
2	Rajeshbhai Shantilal Adani	30,001	0.00%	100%
3	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	(11%)
4	Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	-	0.00%	(100%)
5	Adani Properties Private Limited	16,85,000	0.08%	-
6	Adani Rail Infra Private Limited	7,06,21,469	3.27%	-
7	Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	-
8	Worldwide Emerging Market Holding Limited	8,60,92,798	3.99%	-
9	Afro Asia Trade and Investments Limited	8,99,45,212	4.16%	-
10	Emerging Market Investments DMCC	8,41,79,195	3.90%	-
11	Flourishing Trade And Investments Limited	12,44,54,607	5.76%	9%
12	Gelt Bery Trade And Investment Limited	100	0.00%	100%
13	Spitze Trade And Investment Limited	1,23,58,700	0.57%	100%
	<b>Total</b>	<b>1,31,83,14,567</b>	<b>61.03%</b>	

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 12 Share Capital (contd.)

As at March 31, 2022

Sr No	Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
1	Gautambhai Shantilal Adani	1	0.00%	-
2	Rajeshbhai Shantilal Adani	1	0.00%	-
3	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	37.84%	-
4	Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	30,000	0.00%	-
5	Adani Properties Private Limited	16,85,000	0.08%	-
6	Adani Rail Infra Private Limited	7,06,21,469	3.34%	NA
7	Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.54%	-
8	Worldwide Emerging Market Holding Limited	8,60,92,798	4.08%	11%
9	Afro Asia Trade and Investments Limited	8,99,45,212	4.26%	-
10	Emerging Market Investments DMCC	8,41,79,195	3.99%	-
11	Flourishing Trade And Investments Limited	11,44,54,607	5.42%	10%
	<b>Total</b>	<b>1,38,45,55,767</b>	<b>65.55%</b>	

### e) Details of Non-Cumulative Redeemable Preference Shares held by Promoter and Promoter Group at the end of the year

As at March 31, 2023

Sr No	Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
1	Priti G. Adani	5,00,365	20.00%	-
2	Shilin R. Adani	5,00,364	20.00%	-
	<b>Total</b>	<b>10,00,729</b>	<b>40.00%</b>	

As at March 31, 2022

Sr No	Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
1	Priti G. Adani	5,00,365	20.00%	-
2	Shilin R. Adani	5,00,364	20.00%	-
	<b>Total</b>	<b>10,00,729</b>	<b>40.00%</b>	

### 13 Other Equity

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Share Pending Issuance</b>		
Opening Balance	3605.26	-
Add: Equity shares pending issuance against Composite scheme of arrangement with GPL (Refer note 42(b))	-	3605.26
Less: Issue of Equity shares against pending Issuance	(3,605.26)	-
Closing Balance	-	<b>3605.26</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 13 Other Equity (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Equity Component of Non-Cumulative Redeemable Preference shares</b>		
Opening Balance	166.53	166.53
Closing Balance	<b>166.53</b>	<b>166.53</b>

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Securities Premium</b>		
Opening Balance	6,135.64	583.54
Add: Premium on issue of equity shares on preferential basis (refer note (12)(a) (ii))	-	798.00
Add: Premium on Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note (12)(a) (iii) and 42))	3,595.70	4,754.10
Closing Balance	<b>9,731.34</b>	<b>6,135.64</b>

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>General Reserve</b>		
Opening Balance	2,812.13	2,765.97
Add: Transfer from Debenture Redemption Reserve	41.17	46.16
Closing Balance	<b>2,853.30</b>	<b>2,812.13</b>

**Note:-** The general reserve is used from time to time to transfer profit from retained earnings for apportionment purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Debenture Redemption Reserve (DRR)</b>		
Opening Balance	632.74	556.69
Add: Transferred from retained earnings	109.88	122.21
Less: Transferred to general reserve	(41.17)	(46.16)
Closing Balance	<b>701.45</b>	<b>632.74</b>

**Note:-** The Company has issued redeemable non-convertible debentures. The Company has been creating Debenture Redemption Reserve (DRR) as per the relevant provisions of the Companies Act 2013. However, according to Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Company is not required to create DRR on any fresh issue of Debentures. Accordingly, the Company has not created DRR on fresh issue of redeemable non-convertible debentures.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 13 Other Equity (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Capital Reserve</b>		
Opening Balance	(72.43)	-
Add: Loss pursuant to Composite Scheme of Arrangement (refer note 42)	-	(72.43)
Closing Balance	<b>(72.43)</b>	<b>(72.43)</b>

**Note:-** Capital reserve represents the difference between value of net assets transferred by the Company in the course of composite scheme of arrangement against divestment business undertaking and the consideration received against such arrangement.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Capital Redemption Reserve (CRR)</b>		
Opening Balance	7.84	7.84
Closing Balance	<b>7.84</b>	<b>7.84</b>

**Note:-** As per the Companies Act, 2013, Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Retained Earnings</b>		
Opening Balance	16,104.45	17,128.30
Add : (Loss)/Profit for the year	(479.43)	147.56
Less : Dividend on Shares	(1,056.19)	(1,020.88)
Less : Cost related to the acquisition of Non Controlling Interest (refer note 42 (b))	-	(25.51)
Add : Deemed investment for consideration paid to Non Controlling Interest (refer note (4) (p))	220.46	-
Less : Transfer to Debenture Redemption Reserve	(109.88)	(122.21)
Less : Re-measurement loss on defined benefit plans (net of tax)	(0.59)	(2.81)
Closing Balance	<b>14,678.82</b>	<b>16,104.45</b>

**Note:-** The portion of profit 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 for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Other Comprehensive Income</b>		
Opening Balance	196.65	186.06
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	7.16	10.59
Closing Balance	<b>203.81</b>	<b>196.65</b>

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

<b>Total Other Equity</b>	<b>28,270.66</b>	<b>29,588.81</b>
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## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 13 Other Equity (contd.)

	₹ In Crore	
<b>Distribution made and proposed</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Cash Dividend on Equity Shares declared and paid</b>		
Final Dividend for the year ended March 31, 2022 ₹5 per share (Previous year ₹5 per share) on 2,11,23,73,230 equity shares (Previous year 2,04,17,51,761 equity shares)	1,056.19	1,020.88
<b>Proposed Dividend on Equity Shares</b>		
Final Dividend for the year ended March 31, 2023 ₹5 per share (Previous year ₹5 per share) on 2,16,01,38,945 equity shares (Previous year 2,11,23,73,230 equity shares)	1,080.07	1,056.19
<b>Cash Dividend on Preference Shares declared and paid</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*_-	*_-
<b>Proposed Dividend on Preference Shares</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*_-	*_-

\*- Figure nullified in conversion of ₹ in crore

Proposed dividend on equity shares are in compliance with relevant section of the Companies Act, 2013 which is subject to approval at the annual general meeting and are not recognised as liability.

### 14 Non-Current Borrowings

	₹ In Crore			
<b>Particulars</b>	<b>Non-current portion</b>		<b>Current portion</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Debentures</b>				
15,000 (previous year 15,000) 8.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on April 12, 2030 (refer note (a) below)	1,488.20	1,487.03	-	-
2,520 (previous year 2,520) 9.35% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on July 04, 2026) (refer note (b) below)	251.64	251.55	-	-
16,000 (previous year 16,000) 7.65% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹533.30 crore on October 31, 2025, ₹533.30 crore on October 31, 2026 and ₹533.40 crore on October 30, 2027) (refer note (d) below)	1,591.45	1,589.45	-	-
10,000 (previous year 10,000) 8.22% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹333.30 crore on March 07, 2025, ₹333.30 crore on March 07, 2026 and ₹333.40 crore on March 08, 2027) (refer note (b) below)	1,000.00	1,000.00	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 14 Non-Current Borrowings (contd.)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
13,000 (previous year 13,000) 8.24% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹433.30 crore on November 29, 2024, ₹433.30 crore on November 29, 2025 and ₹433.40 crore on November 27, 2026) (refer note (c) below)	1,300.00	1,300.00	-	-
10,000 (previous year 10,000) 6.25% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at October 18, 2024) (refer note (e) below)	991.14	985.90	-	-
9,000 (previous year 9,000) 6.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on September 11, 2023 (refer note (a) below)	-	896.01	898.73	-
6,000 (previous year 6,000) 7.25% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹500 crore on May 26, 2023 and ₹100 crore on June 01, 2023 (refer note (b) below)	-	598.15	599.74	-
2,000 (previous year 2,000) 9.35% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹100 crore on May 26, 2023 and ₹100 crore on May 27, 2026) (refer note (a) below)	99.49	199.10	99.96	-
Nil (previous year 1,647) 10.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at three annual equal instalments commencing from March 02, 2021) (refer note (a) below)	-	-	-	164.66
<b>Foreign currency Bonds</b>				
5% Foreign Currency Bond priced at 315.30 basis points over the 20 years US Treasury Note (unsecured) (refer note (h) (vii))	3,645.68	3,356.91	-	-
3.828% Foreign Currency Bond priced at 255 basis points over the 10.50 years US Treasury Note (unsecured) (refer note (h) (vi))	2,432.95	2,238.96	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 14 Non-Current Borrowings (contd.)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
3.10% Foreign Currency Bond priced at 205.50 basis points over the 10 years US Treasury Note (unsecured) (refer note (h) (v))	4,078.00	3,755.69	-	-
4.375% Foreign Currency Bond priced at 238 basis points over the 10 years US Treasury Note (unsecured) (refer note (h) (ii))	6,126.65	5,640.68	-	-
4.20% Foreign Currency Bond priced at 376 basis points over the 7 years US Treasury Note (unsecured) (refer note (h) (iv))	6,138.19	5,653.58	-	-
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured) (refer note (h) (i))	4,088.21	3,759.40	-	-
3.375% Foreign Currency Bond priced at 150 basis points over the 5 years US Treasury Note (unsecured) (refer note (h) (iii))	5,335.15	4,908.91	-	-
<b>Preference Shares</b>	125.73	115.35	-	-
Liability Component of 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12 (b))				
<b>Term loans</b>				
<b>Foreign currency loans:</b>				
From banks (secured) (refer note (f))	-	-	-	18.60
<b>Rupee Loan</b>				
Inter corporate deposits from subsidiaries (refer note (h) (ix))	5,060.98	2,371.52	-	-
From Bank (Secured) (refer note (g))	-	336.56	-	74.25
<b>Foreign currency letters of credit</b>				
From bank (unsecured) (refer note (h) (viii))	308.24	181.90	-	-
	<b>44,061.70</b>	<b>40,626.65</b>	<b>1,598.43</b>	<b>257.51</b>
<b>The above amount includes</b>				
Secured borrowings	6,721.92	8,643.75	1,598.43	257.51
Unsecured borrowings	37,339.78	31,982.90	-	-
Amount disclosed under the head Current Borrowings (refer note 18)	-	-	(1,598.43)	(257.51)
	<b>44,061.70</b>	<b>40,626.65</b>	<b>-</b>	<b>-</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 14 Non-Current Borrowings (contd.)

#### Notes:

- a) Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹2,586.38 crore (previous year ₹2,746.80 crore) which are secured by first rank Pari-passu charge on all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port.
- b) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,851.38 crore (previous year ₹1,849.70 crore) which are secured by first rank pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Wandh, Mundra Port.
- c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,300.00 crore (previous year ₹1,300.00 crore) which are secured by first rank pari-passu charge on all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. (Previous year - specified assets of certain subsidiary companies and all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port).
- d) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,591.45 crore (previous year ₹1,589.45 crore) are secured by first rank pari-passu charge on the specified assets of one of the subsidiary company and immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. (Previous year - secured by first pari-passu charge on specified assets of one of the subsidiary company).
- e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹991.14 crore (previous year ₹985.90 crore) are secured by first rank Pari-passu charge on specified assets of one of the subsidiary company.
- f) Foreign currency loan aggregating to ₹ Nil (previous year ₹18.60 crore) carries interest @ 6 months EURIBOR plus basis point 95. The loan is secured by exclusive charge on the Dredgers procured under the facility. The same has been repaid during the current year.
- g) Rupee term loan amounting to ₹ Nil (previous year ₹410.81 crore) carrying interest @ Repo Rate plus spread of 1.35%. The loan is repayable in 8 half yearly structured instalment commencing from December 30, 2020. The loan is secured by first ranking pari-passu charge on the movable and immovable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II project assets of the Company located at Mundra Port. Considering the terms of the loan, same has been classified under current borrowings.
- h) Unsecured Loan
  - (i) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹4,088.21 crore (previous year ₹3,759.40 crore) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.
  - (ii) 10 years Foreign Currency Bond of USD 750 million equivalent to ₹6,126.65 crore (previous year ₹5,640.68 crore) carries interest rate at 4.375% p.a. with bullet repayment in the year 2029.
  - (iii) 5 years Foreign Currency Bond of USD 650 million equivalent to ₹5,335.15 crore (previous year ₹4,908.91 crore) carries interest rate at 3.375% p.a. with bullet repayment in the year 2024.
  - (iv) 7 years Foreign Currency Bond of USD 750 million equivalent to ₹6,138.19 crore (previous year ₹5,653.58 crore) carries interest rate at 4.20% p.a. with bullet repayment in the year 2027.
  - (v) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹4,078 crore (previous year ₹3,755.69 crore) carries interest rate at 3.10% p.a. with bullet repayment in the year 2031.
  - (vi) 10.50 years Foreign Currency Bond of USD 300 million equivalent to ₹2,432.95 crore (previous year ₹2,238.96 crore) carries interest rate at 3.828% p.a. with bullet repayment in the year 2032
  - (vii) 20 years Foreign Currency Bond of USD 450 million equivalent to ₹3,645.68 crore (previous year ₹3,356.91 crore) carries interest rate at 5% p.a. with bullet repayment in the year 2041.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(viii) Trade credit facilities of ₹308.24 crore (previous year ₹181.90 crore). The same is repayable in next year unless maturity date of the same is extended/rolled over.

(ix) Inter Corporate deposits from a subsidiaries aggregating to ₹5,060.98 crore (previous year ₹2,371.52 crore) carries interest rate at 7.50%.

### 15 Lease Liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Lease Liabilities (refer note (a) and (b))	123.33	128.64	5.36	4.95
	<b>123.33</b>	<b>128.64</b>	<b>5.36</b>	<b>4.95</b>

#### Notes:

- a) Land and Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 15 years to 35 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.
- b) Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows:

₹ In Crore

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
<b>March 31, 2023</b>						
Minimum Lease Payments	14.82	60.22	128.25	203.29	(74.60)	128.69
Finance charge allocated to future periods	9.46	32.95	32.19	74.60	-	-
Present Value of MLP	5.36	27.27	96.06	128.69	-	128.69
<b>March 31, 2022</b>						
Minimum Lease Payments	14.82	59.84	143.39	218.05	(84.46)	133.59
Finance charge allocated to future periods	9.87	35.00	39.59	84.46	-	-
Present Value of MLP	4.95	24.84	103.80	133.59	-	133.59

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 16 Other financial liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Derivatives Instruments	25.12	-	17.87	13.95
Capital creditors and retention money	9.39	0.34	93.66	132.30
Other payables (including discounts etc)	-	-	347.70	505.25
Unpaid Dividends #	-	-	2.40	1.96
Interest accrued but not due on borrowings	-	-	677.07	581.98
Deposit from Customers	1.61	1.51	32.09	30.95
Financial Guarantees Obligation	10.92	11.66	8.14	7.28
	<b>47.04</b>	<b>13.51</b>	<b>1,178.93</b>	<b>1,273.67</b>

# Not due for credit to "Investors Education & Protection Fund"

#### 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

₹ In Crore

Particulars	Borrowings and Interest accrued but not due	Lease Liabilities	Unpaid Dividend on Equity and Preference Shares	Derivative Contract	Total
<b>April 1, 2021</b>	<b>34,392.77</b>	<b>144.37</b>	<b>1.50</b>	<b>(15.05)</b>	<b>34,523.59</b>
Cash Flows	7,530.90	(19.20)	(1,020.42)	17.16	6,508.44
Foreign Exchange Movement	957.18	-	-	-	957.18
Other Adjustments	18.32	-	-	25.98	44.30
Addition of Lease Obligation	-	34.04	-	-	34.04
Charged to statement of Profit and Loss during the year	2,509.36	-	-	(15.70)	2,493.66
Pursuant to Composite Scheme of Arrangement	279.78	(25.62)	-	-	254.16
Dividend recognised during the year	-	-	1,020.88	-	1,020.88
Customers' Bills discounted during the year	(331.57)	-	-	-	(331.57)
<b>March 31, 2022</b>	<b>45,356.74</b>	<b>133.59</b>	<b>1.96</b>	<b>12.39</b>	<b>45,504.68</b>
Cash Flows	(2,478.78)	(4.90)	(1,055.75)	87.78	(3,451.65)
Foreign Exchange Movement	2,503.28	-	-	-	2,503.28
Charged to statement of Profit and Loss during the year	2,769.50	-	-	(89.11)	2,680.39
Dividend recognised during the year	-	-	1,056.19	-	1,056.19
Customers' Bills discounted during the year	48.81	-	-	-	48.81
<b>March 31, 2023</b>	<b>48,199.55</b>	<b>128.69</b>	<b>2.40</b>	<b>11.06</b>	<b>48,341.70</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 17 Other Liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Advance from customers (refer note 40)	-	-	716.00	716.00
Deposit from customers	-	-	12.47	12.14
Statutory liability	-	-	82.97	55.44
Unearned Income under land lease/ Infrastructure usage agreements	455.70	499.19	63.27	62.24
Deferred Income on fair valuation of Deposit taken	0.84	0.94	-	-
Deferred Government Grant (refer note (i) below)	0.42	0.52	-	-
Unearned revenue - others	-	-	69.65	66.02
Contract Liabilities (refer note (ii) below)	-	-	132.54	144.24
	<b>456.96</b>	<b>500.65</b>	<b>1,076.90</b>	<b>1,056.08</b>

#### Notes:

i) Movement in Deferred Government Grant

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Opening Balance</b>	<b>0.52</b>	<b>0.61</b>
Amortisation during the year (refer note 22)	(0.10)	(0.09)
<b>Closing Balance</b>	<b>0.42</b>	<b>0.52</b>

ii) 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.

### 18 Current Borrowings

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Short term borrowings from banks (secured) (refer note below (a), (b) and (14)(g))	336.56	1,000.00
Packing Credit Rupee Loan from bank (unsecured) (refer note (d), (e) and (f) below)	700.00	900.00
Commercial paper (unsecured) (refer note (c) below)	-	1,782.36
Inter Company deposit from subsidiaries (unsecured) (refer note (g) below)	568.74	-
Current maturities of long term borrowings (refer note 14)	1,598.43	257.51
	<b>3,203.73</b>	<b>3,939.87</b>
Customers' Bills Discounted (unsecured) (refer note (h) below)	257.05	208.24
	<b>3,460.78</b>	<b>4,148.11</b>

#### Notes:

- a) Short Term loan amounting to ₹ Nil (previous year ₹1000 crore) is secured by Second pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. Same has been repaid during the Current year.
- b) Rupee term loan amounting to ₹336.56 crore (previous year ₹ Nil) carrying interest @ Repo Rate plus spread of 1.35%. The loan is repayable in 8 half yearly structured instalment commencing from December 30, 2020.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 18 Current Borrowings (contd.)

The loan is secured by first rank Pari-passu charge on all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. Considering the terms of the loan, same has been classified under current borrowings.

- c) Commercial Paper (CP) aggregating ₹ Nil (previous year ₹1,782.36 crore) carried interest rate of 4.25% p.a. Same has been repaid during the current year.
- d) Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹400 crore) linked to 3 month Treasury Bill. Same has been repaid during the Current year.
- e) Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹500 crore) carries interest rate of 4.10% p.a. Same has been repaid during the current year.
- f) Packing Credit rupee Loan aggregating to ₹700 crore (previous year ₹ Nil) carries interest rate of 7.85% p.a.
- g) Inter Company deposit from a subsidiary aggregating to ₹568.74 crore (previous year ₹ Nil) carries interest rate ranging from 7.50% to 7.85%.
- h) Factored receivables of ₹257.05 crore (previous year ₹208.24 crore) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 1 to 12 months period (refer note 5).

### 19 Trade and other payables

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 35)	15.98	6.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	562.81	454.23
	<b>578.79</b>	<b>461.01</b>
Dues to related parties included in above (refer note 32)	153.47	126.07

#### Trade and other payable ageing as on March 31, 2023 is as below

₹ In Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	15.98	-	-	-	-	15.98
2	Others	254.47	274.36	25.12	6.95	1.91	562.81
	<b>Total</b>	<b>270.45</b>	<b>274.36</b>	<b>25.12</b>	<b>6.95</b>	<b>1.91</b>	<b>578.79</b>

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

₹ In Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	6.78	-	-	-	-	6.78
2	Others	309.45	135.08	7.45	1.99	0.26	454.23
	<b>Total</b>	<b>316.23</b>	<b>135.08</b>	<b>7.45</b>	<b>1.99</b>	<b>0.26</b>	<b>461.01</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 20 Provisions

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Provision for Employee Benefits</b>				
Provision for Gratuity (refer note 30)	11.58	5.47	-	-
Provision for Compensated Absences	-	-	21.95	19.58
	<b>11.58</b>	<b>5.47</b>	<b>21.95</b>	<b>19.58</b>

### 21 Revenue from Operations

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Revenue from Contract with Customers (refer note (a) below)</b>		
Income from Port Operations (Including Port Infrastructure Services)	4,892.59	3,907.06
	<b>4,892.59</b>	<b>3,907.06</b>
Lease, Upfront Premium and Deferred Infrastructure Income (refer note (b) and (c) below)	267.29	239.74
Other Operating Income	77.27	59.42
	<b>5,237.15</b>	<b>4,206.22</b>

#### Notes:

- a) Reconciliation of revenue recognised with contract price:

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Contract Price	5,137.23	4,150.08
<b>Adjustment for:</b>		
Refund Liabilities	(303.06)	(273.92)
Change in value of Contract Assets	52.87	26.56
Change in value of Contract Liabilities	5.55	4.34
<b>Revenue from Contract with Customers</b>	<b>4,892.59</b>	<b>3,907.06</b>

- b) The Company has given various assets on finance lease to various parties. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Land leases include a clause to enable upward revision of the rental charge upto 3 years upto 20%. The company has also received one-time income of upfront premium ranging from ₹600 to ₹4000 per Sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹156.35 crore (previous year ₹145.98 crore) including upfront premium of ₹128.63 crore (previous year ₹108.78 crore) accrued under such lease have been booked as income in the statement of profit and loss.

- c) Land given under operating lease:

The Company has given certain land portions on operating lease. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
i) Not later than one year	20.59	20.15
ii) Later than one year and not later than five years	88.38	85.52
iii) Later than five years	325.37	347.82

Company has recognised income from operating leases of ₹22.24 crore (previous year ₹26.40 crore)

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 22 Other Income

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Interest Income on		
Bank Deposits, Inter Corporate Deposits, Security Deposit etc.	1,689.05	2,122.02
Customers dues	20.25	21.23
Finance Lease	169.52	148.01
Dividend income on non current Investments	1,010.19	95.85
Unclaimed liabilities / excess provision written back	0.86	0.16
Scrap sale	17.02	15.33
Net gain on Sale of Current Investments	10.91	0.92
Profit on Sale of Non current Investments	-	63.76
Profit on sale / discard of Property, Plant and Equipment (net)	-	1.35
Financial Guarantee Income	8.54	11.14
Amortisation of Government Grant (refer note 17 (i))	0.10	0.09
Miscellaneous Income	72.35	39.45
	<b>2,998.79</b>	<b>2,519.31</b>

### 23 Operating Expenses

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Cargo handling / other charges to Contractors (net of reimbursements)	605.84	354.04
Customer Claims (including Expected Credit Loss)	19.44	(4.00)
Tug and Pilotage Charges	8.69	8.72
Maintenance Dredging	15.58	10.62
Other expenses including Customs Establishment Charges	3.53	1.71
Repairs to Plant & Equipment	68.91	91.96
Stores & Spares consumed	130.09	107.92
Repairs to Buildings	10.13	9.33
Power & Fuel	79.76	75.26
Waterfront Charges	174.27	174.42
Cost of assets transferred under Finance Lease	3.67	1.29
	<b>1,119.91</b>	<b>831.27</b>

### 24 Employee Benefits Expense

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Salaries, Wages and Bonus	256.63	205.45
Contribution to Provident and Other Funds	11.80	9.60
Gratuity Expenses (refer note 30)	5.50	3.49
Staff Welfare Expenses	20.77	19.80
	<b>294.70</b>	<b>238.34</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 25 Finance Costs

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>a) Interest and Bank Charges</b>		
Interest on		
Debentures and Bonds	2,074.76	1,851.11
Loans, Buyer's Credit etc.	673.59	621.42
Lease Liabilities	9.36	9.71
Bank and other Finance Charges	11.79	27.12
	<b>2,769.50</b>	<b>2,509.36</b>
b) Derivative Gain (net)	(89.11)	(15.70)
	<b>2,680.39</b>	<b>2,493.66</b>

### 26 Other Expenses

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Rent Expenses	3.31	4.22
Rates and Taxes	-	183.71
Insurance	10.03	10.27
Advertisement and Publicity	23.37	14.96
Other Repairs and Maintenance	23.69	20.16
Legal and Professional Expenses	111.80	98.41
Corporate Support Service Fee	92.69	37.27
IT Support Services	18.94	21.00
Payment to Auditors (refer note (a) below)	2.64	1.72
Security Service Charges	22.63	18.68
Communication Expenses	29.77	27.77
Electric Power Expenses	4.24	5.81
Travelling and Conveyance	139.65	75.29
Diminution in Value of Inventory	10.00	-
Directors Sitting Fee	0.45	0.55
Commission to Non-executive Directors	1.00	1.00
Charity & Donations (refer note (b) below)	37.13	51.89
Loss on sale / discard of Property, Plant and Equipment (net)	0.62	-
Net loss on sale of Financial Instruments Measured at FVTPL	2.04	-
Miscellaneous Expenses	17.89	10.96
	<b>551.89</b>	<b>583.67</b>

#### Notes:

##### a) Payment to Auditors

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
As auditor:		
Audit fee	1.90	1.03
Limited review	0.53	0.53
In other capacity:		
Certification fees	0.19	0.15
Reimbursement of expenses	0.02	0.01
	<b>2.64</b>	<b>1.72</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 26 Other Expenses (contd.)

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

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

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

(i) Gross amount required to be spent during the year ₹31.35 crore (previous year ₹49.89 crore)

(ii) Amount spent during the year ended:

Particulars	₹ In Crore		
	In cash	Yet to be paid in cash	Total
<b>March 31, 2023</b>			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	31.88	-	31.88
<b>Total</b>	<b>31.88</b>	<b>-</b>	<b>31.88</b>
<b>March 31, 2022</b>			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	34.29	-	34.29
<b>Total</b>	<b>34.29</b>	<b>-</b>	<b>34.29</b>

(iii) Nature of CSR activities

Promoting Health Care, Eradicating hunger, poverty and malnutrition, COVID 19 expense, Ensuring environmental sustainability, Promoting Education, Social development and Enhancing vocation skills

(iv) Detail of related party Transactions

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Contribution / Donation to related party (Refer note 32)	24.85	13.98

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
(v) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-

(vi) During the previous year company had utilised ₹16 crore excess CSR credit of earlier year which is additional to CSR expenditure mentioned in (ii) above

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 27 Income Tax

The major component of income tax expenses for the year ended March 31, 2023 and March 31, 2022 are as under

#### a) Tax Expense reported in the Statement of Profit and Loss

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>i) Profit and Loss Section</b>		
<b>Current Income tax</b>		
Current tax charges	11.83	274.00
Adjustment in respect of Tax Expense relating to earlier years	34.29	13.68
	<b>46.12</b>	<b>287.68</b>
<b>Deferred Tax</b>		
Relating to origination and reversal of temporary differences	(553.67)	36.49
Tax (credit) under Minimum Alternate Tax	(41.25)	-
	<b>(594.92)</b>	<b>36.49</b>
	<b>(548.80)</b>	<b>324.17</b>
<b>ii) Other Comprehensive Income ('OCI') Section</b>		
<b>Deferred tax related to items recognised in OCI during the year</b>		
Tax impact on re-measurement loss on defined benefit plans	(0.31)	(1.51)
Tax impact on unrealised gain on FVTOCI Equity Investment	0.69	1.53
	<b>0.38</b>	<b>0.02</b>

#### b) Balance Sheet Section

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Taxes Recoverable (net) (refer note 8)	397.87	534.67
	<b>397.87</b>	<b>534.67</b>

#### c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>(Loss)/Profit Before Tax</b>	(1,028.23)	471.73
Tax Rate	34.944%	34.944%
At India's Statutory Income Tax rate	(359.30)	164.84
<b>Tax Effect of:</b>		
Effect due to lower Tax rate	(3.90)	(14.34)
Unascertained liability on which Deferred Tax not created	-	52.42
Expenses not allowable under Tax laws	21.29	19.86
Deduction under chapter VI-A	(13.65)	(38.86)
Indexation on Sale of Non Current Investment	-	(18.41)
Loss on impairment of Investment (refer note below)	(171.65)	171.65
Reversal of Tax on Composite scheme of arrangement	-	(24.54)
Deduction of transaction cost of Composite scheme of arrangement	(4.03)	-
Adjustment in respect of previous years	(8.97)	14.62

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 27 Income Tax (contd.)

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Other Adjustments	(8.59)	(3.07)
<b>Income Tax reported in Statement of Profit and Loss</b>	<b>(548.80)</b>	<b>324.17</b>
<b>Effective tax rate</b>	<b>53.37%</b>	<b>68.72%</b>

**Note:** The company has reassessed the allowability of tax benefit on impairment recognised in previous year and recognised the same in current year.

### d) Deferred Tax Assets (net)

₹ In Crore

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Deferred Tax (liabilities) / assets in relation to:</b>				
(Liability) on Accelerated depreciation for tax purpose (refer note (i) below)	(729.54)	(800.67)	71.13	22.93
Asset on unrealised exchange variation	99.53	52.68	46.85	15.96
Asset on Provision for Gratuity and Leave encashment	14.24	11.01	3.23	3.68
(Liability) on Preference Share debt component	(29.72)	(33.34)	3.62	3.34
(Liability) on Deemed Investment	(50.66)	(50.12)	(0.54)	(1.47)
Asset on fair valuation of Inter Corporate Deposit / Corporate / Bank Guarantee	11.88	11.30	0.58	(0.21)
(Liability) on Equity Investment at FVTOCI	(38.89)	(38.20)	(0.69)	(1.53)
(Liability) on CSR expense carried forward	-	-	-	5.59
Asset on provision for doubtful debt, loans and advances	616.13	67.07	549.06	(2.33)
(Liability) on Lease Receivables	(275.65)	(145.43)	(130.22)	(78.05)
Asset on transaction cost of Composite scheme of arrangement	15.57	-	15.57	-
MAT Credit entitlement (refer note (ii) below)	1,654.49	1,645.30	41.25	-
(Liability) on other adjustments	(7.33)	(2.03)	(5.30)	(4.42)
	<b>1,280.05</b>	<b>717.57</b>	<b>594.54</b>	<b>(36.51)</b>

#### Notes:

- During the previous year, pursuant to Composite Scheme of Arrangement, Company has transferred asset related to Railway Business undertaking. Accordingly deferred tax liability on such assets has been reversed by ₹24.54 crore.
- Current Tax Liabilities of ₹32.06 crore pertaining to previous year is adjusted against MAT Credit.

### e) Deferred Tax Assets reflected in the Balance Sheet as follows

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Tax Credit Entitlement under MAT	1,654.49	1,645.30
Less :Deferred tax liabilities (net)	(374.44)	(927.73)
	<b>1,280.05</b>	<b>717.57</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 27 Income Tax (contd.)

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

Financial Year	Amount (₹ in crore)	Expiry Year
2014-15	312.08	2029-30
2015-16	633.72	2030-31
2016-17	413.17	2031-32
2017-18	49.00	2032-33
2018-19	80.71	2033-34
2019-20	75.99	2034-35
2020-21	77.99	2035-36
2022-23	11.83	2037-38
<b>Total</b>	<b>1,654.49</b>	

### 28 Earnings Per Share (EPS)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>(Loss)/Profit after tax</b>	<b>(479.43)</b>	<b>147.56</b>
Less: Dividends on Non-Cumulative Redeemable Preference Shares	*-	*-
	<b>(479.43)</b>	<b>147.56</b>
* Figures being nullified on conversion to ₹ in crore.		
	<b>No. of Shares</b>	<b>No. of Shares</b>
Weighted average number of equity shares in calculating basic and diluted EPS (refer note 42(b))	2,16,01,38,945	2,15,96,45,794
<b>Basic and Diluted Earnings per Share (in ₹)</b>	<b>(2.22)</b>	<b>0.68</b>

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

Sr No	Ratio Name	Formula	March 23	March 22	% Variance	Reason for variance
1	Current	Current Assets / Current Liabilities	1.04	2.10	(50%)	Mainly due to realisation of consideration from Adani Gangavaram Port Limited against composite scheme of arrangement (refer note 42(b))
2	Debt-Equity	Total Debt / Shareholder's Equity	1.65	1.48	11%	NA
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)	1.93	1.65	17%	NA

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 29 Below are the ratio as on March 31, 2023 and March 31, 2022 (contd.)

Sr No	Ratio Name	Formula	March 23	March 22	% Variance	Reason for variance
4	Return on Equity	Profit after Taxes / Average Equity Shareholder's Fund	(1.63%)	0.57%	(387%)	Mainly due to increase in Foreign Exchange Loss, dividend income and impairment of investment in subsidiary
5	Inventory Turnover		NA			-
6	Trade Receivables Turnover	Revenue from operations / Average Accounts Receivables	5.54	4.28	29%	Mainly due to Improved realisation of receivable
7	Trade Payable Turnover	Operating expense & Other expense / Average Trade Payables	3.22	4.18	(23%)	NA
8	Net Capital Turnover	Revenue from Operation / Average Working Capital	1.32	0.80	65%	Mainly due to realisation of consideration from Adani Gangavaram Port Limited against composite scheme of arrangement and improved realisation of Trade receivables.
9	Net Profit	Profit After Tax / Revenue from Operations	(9.15%)	3.51%	(361%)	Mainly due to increase in Foreign Exchange Loss, dividend income and impairment of investment in subsidiary
10	Return on Capital Employed	Earnings before Interest, Taxes and exceptional items / Capital Employed (Tangible Networth+Total Debt)	4.35%	4.81%	(10%)	NA
11	Return on Investment		NA			-

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

- a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹11.27 crore (previous year ₹9.37 crore) as expenses under the following defined contribution plan.

Contribution to	March 31, 2023	March 31, 2022
Provident Fund	11.22	9.31
Superannuation Fund	0.05	0.06
<b>Total</b>	<b>11.27</b>	<b>9.37</b>

₹ In Crore

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 30 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

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

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

#### c) Gratuity

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Present value of the defined benefit obligation at the beginning of the year	37.07	32.13
Current service cost	5.12	3.32
Interest cost	2.56	2.15
Re-measurement (or Actuarial) (gain) / loss arising from and including in OCI:		
- change in demographic assumptions	(0.36)	0.20
- change in financial assumptions	(6.66)	4.44
- experience variance	7.92	(0.32)
Benefits paid	(2.08)	(1.84)
Liability Transfer In	3.94	2.02
Liability Transfer Out	(2.17)	(5.03)
Present value of the defined benefit obligation at the end of the year	45.34	37.07

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Fair value of plan assets at the beginning of the year	31.60	29.73
Investment income	2.18	1.99
Benefits paid	(0.02)	(0.12)
Fair value of plan assets at the end of the year	33.76	31.60

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Present value of the defined benefit obligation at the end of the year	45.34	37.07
Fair value of plan assets at the end of the year	33.76	31.60
Amount recognised as liability (refer note 20)	(11.58)	(5.47)
Net liability - Non Current	(11.58)	(5.47)

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Current service cost	5.12	3.32
Net Interest on benefit obligation	0.38	0.17
Total Expense included in Employee Benefits Expense (refer note 24)	5.50	3.49

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 30 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

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

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(0.36)	0.20
- change in financial assumptions	(6.66)	4.44
- experience variance	7.92	(0.32)
Recognised in the other comprehensive income	0.90	4.32

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

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.50%	6.90%
Rate of escalation in salary (per annum)	8.50%	10.00%
Mortality	India Assured Lives Mortality (2012-14)	India Assured Lives Mortality (2012-14)
Attrition rate	11.00%	9.11%

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

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

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

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

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

#### (viii) Sensitivity Analysis

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

#### Quantitative sensitivity analysis for significant assumption is as below

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

Particulars	March 31, 2023		March 31, 2022	
	Discount rate		Discount rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
	(2.43)	2.70	(2.69)	3.06

Particulars	March 31, 2023		March 31, 2022	
	Salary Growth rate		Salary Growth rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
	2.66	(2.43)	2.94	(2.64)

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 30 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

Particulars	March 31, 2023		March 31, 2022	
	Attrition rate		Attrition rate	
Assumptions				
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
Impact on defined benefit obligations	(₹ In Crore) (0.80)	(₹ In Crore) 1.20	(₹ In Crore) (1.92)	(₹ In Crore) 3.03

Particulars	March 31, 2023		March 31, 2022	
	Mortality rate		Mortality rate	
Assumptions				
Sensitivity level	10% Increase	10% Decrease	10% Increase	10% Decrease
Impact on defined benefit obligations	(₹ In Crore) *	(₹ In Crore) *	(₹ In Crore) (0.01)	(₹ In Crore) 0.01

\* Figures being nullified on conversion to ₹ in crore

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

Particulars	March 31, 2023	March 31, 2022
Weighted average duration (based on discounted cash flows)	6 years	8 years

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting period)	7.91	4.34
Between 2 and 5 years	20.26	13.79
Between 6 and 10 years	20.49	17.18
Beyond 10 years	25.57	34.86
<b>Total Expected Payments</b>	<b>74.23</b>	<b>70.17</b>

The Company expects to contribute ₹13.95 crore to the gratuity fund in the financial year 2023-24 (previous year ₹9.40 crore).

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

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

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 31 Segment Information

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the ports services, ports related Infrastructure development activities and development of infrastructure at contiguous Special Economic Zone at Mundra, as determined by chief operating decision maker, in accordance with Ind-AS 108 "Operating Segments".

Considering the inter relationship of various activities of the business, the chief operating 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.

### 32 Related Party Disclosures

#### Related parties where control exists.

Wholly owned Subsidiary Companies	
	Adani Ennore Container Terminal Private Limited
	Adani Hazira Port Limited (Formerly known as Adani Hazira Port Private Limited)
	Adani Hospitals Mundra Private Limited
	Adani Logistics Limited
	Adani Vizag Coal Terminal Private Limited
	Adani Warehousing Services Private Limited
	Karnavati Aviation Private Limited
	MPSEZ Utilities Limited (upto December 15, 2021)
	Mundra International Airport Private Limited
	The Dhamra Port Company Limited
	Adani Vizhinjam Port Private Limited
	Adani Ports Technologies Private Limited (formerly known as Mundra International Gateway Terminal Private Limited)
	Madurai Infrastructure Private Limited
	Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)
	Coastal International Terminals Pte. Limited, Singapore (Formerly known as Adani International Terminals Pte. Limited)
	Adani Kandla Bulk Terminal Private Limited
	Adani Murmugao Port Terminal Private Limited
	Shanti Sagar International Dredging Limited (Formerly known as Shanti Sagar International Dredging Private Limited)
	Abbot Point Operations Pty Limited, Australia
	The Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Private Limited)
	Mundra Crude Oil Terminal Private Limited (Formerly known as Adani Bhavanapadu Port Private Limited)
	Adinath Polyfills Private Limited
	Adani Tracks Management Services Private Limited (upto March 31, 2021) (refer note 42 (a))
	Adani Bulk Terminals (Mundra) Limited (formerly known as Adani Agri Logistics (Bathinda) Limited) [w.e.f November 10, 2022]
	Tajpur Sagar Port Limited [incorporated on October 21, 2022]
	Adani Container Manufacturing Limited (Formerly known as Adani Cargo Logistics Limited) [w.e.f November 10, 2022]

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

<b>Wholly owned Subsidiary Companies</b>	Adani Container Terminal Limited (Formerly known as Adani Pipelines Private Limited)	
	Adani Bangladesh Ports Private Limited, Bangladesh	
	Anchor Port Holding Pte. Limited, Singapore (formerly known as Adani Mundra Port Holding Pte. Limited)	
	Aqua Desilting Private Limited	
	HDC Bulk Terminal Limited [incorporated on March 07, 2022]	
	Adani International Ports Holdings Pte. Limited, Singapore [incorporated on June 16, 2021]	
	Adani Gangavaram Port Limited (Formerly known as Adani Gangavaram Port Private Limited) [incorporated on July 14, 2021]	
	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) [w.e.f June 08, 2021]	
	Adani Tracks Management Services Limited (formerly known as Sarguja Rail Corridor Private Limited) (w.e.f April 02, 2021) (refer note 42 (a))	
	Gangavaram Port Services (India) Private Limited (refer note 42 (b))	
	Adani Aviation Fuels Limited (incorporated on September 29, 2022)	
	Dighi Port Limited	
	<b>Other Subsidiary Companies</b>	Dholera Infrastructure Private Limited (Controlling interest)
Adani Petronet (Dahej) Port Limited (Formerly known as Adani Petronet (Dahej) Port Private Limited)		
Mundra SEZ Textile And Apparel Park Private Limited		
Marine Infrastructure Developer Private Limited		
Mundra Solar Technopark Private Limited (w.e.f March 30, 2022)		
Mundra LPG Terminal Private Limited (w.e.f April 30, 2022)		
Mediterranean International Ports A.D.G.D Limited (Incorporated on November 13, 2022)		
Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) [upto June 07, 2021]		
<b>Step down Subsidiary</b>		Hazira Infrastructure Limited
		Dholera Port and Special Economic Zone Limited (Controlling Interest)
	Dhamra Infrastructure Private Limited	
	Abbot Point Bulk Coal Pty Limited, Australia	
	Blue Star Realtors Limited (formerly known as Blue Star Realtors Private Limited)	
	Pearl Port Pte. Limited, Singapore (Formerly known as Adani Mundra Port Pte. Limited)	
	Bowen Rail Operations Pte. Limited, Singapore (upto July 14, 2021)	
	Bowen Rail Company Pty Limited, Australia (upto July 14, 2021)	
	Dermot Infracon Private Limited	
	Noble Port Pte. Limited, Singapore (formerly known as Adani Abbot Port Pte. Limited)	
	Adani Logistics Services Private Limited	

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

<b>Step down Subsidiary</b>	
	Adani Forwarding Agent Private Limited
	Adani Noble Private Limited
	Adani Container Manufacturing Limited (Formerly known as Adani Cargo Logistics Limited) [upto November 09, 2022]
	Adani Logistics Infrastructure Private Limited
	Adani Yangon International Terminal Company Limited, Myanmar
	Adani Agri Logistics (Samastipur) Limited
	Adani Agri Logistics (Darbhanga) Limited
	Adani Agri Logistics (Dahod) Limited
	Adani Agri Logistics Limited
	Adani Agri Logistics (MP) Limited
	Adani Agri Logistics (Dewas) Limited
	Adani Agri Logistics (Harda) Limited
	Adani Agri Logistics (Hoshangabad) Limited
	Adani Agri Logistics (Satna) Limited
	Adani Agri Logistics (Ujjain) Limited
	Adani Agri Logistics (Panipat) Limited
	Adani Agri Logistics (Kannauj) Limited
	Adani Agri Logistics (Katihar) Limited
	Adani Agri Logistics (Katihar two) Limited [incorporated on November 21, 2022]
	Adani Agri Logistics (Kotkapura) Limited
	Adani Agri Logistics (Mansa) Limited
	Adani Bulk Terminals (Mundra) Limited (formerly known as Adani Agri Logistics (Bathinda) Limited) (upto November 09, 2022)
	Adani Agri Logistics (Moga) Limited
	Adani Agri Logistics (Barnala) Limited
	Adani Agri Logistics (Nakodar) Limited
	Adani Agri Logistics (Gonda) Limited [incorporated on November 22, 2022]
	Adani Agri Logistics (Raman) Limited
	Adani Agri Logistics (Dhamora) Limited
	Adani Agri Logistics (Chandari) Limited [incorporated on November 21, 2022]
	Adani Agri Logistics (Sandila) Limited [incorporated on November 18, 2022]
	AYN Logistics Infra Private Limited [acquired on May 04, 2021]
	BU Agri Logistics Limited [incorporated on March 11, 2023]
	HM Agri Logistics Limited [incorporated on February 28, 2023]
	Adani Logistics International Pte. Limited, Singapore [upto July 28, 2022]
	Adani Krishnapatnam Container Terminal Private Limited (formerly known as Navayuga Container Terminal Private Limited)
	Seabird Distriparks (Krishnapatnam) Private Limited [acquired on January 29, 2022]

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

<b>Step down Subsidiary</b>	Adani Warehousing Limited (formerly known Adani Agri Logistics (Borivali) Limited)
	Adani KP Agri warehousing Private Limited (Formerly known as KP Agri warehousing Company Private Limited) [acquired on October 01, 2020] [upto December 31, 2021]
	Shankheshwar Buildwell Private Limited
	Sulochana Pedestal Private Limited
	Ocean Sparkle Limited [acquired on May 10, 2022]
	Haifa Port Company Limited, Israel [w.e.f. January 10, 2023]
	Port Harbour Services International Pte. Limited, Singapore [incorporated on February 01, 2023]
	Sparkle Overseas Pte. Limited [acquired on May 10, 2022]
	PU Agri Logistics limited [incorporated on February 25, 2023]
	Saptati Build Estate Private Limited [acquired on May 04, 2022]
	Savi Jana Sea Foods Private Limited [acquired on May 10, 2022]
	Sea Sparkle Harbour Service Limited [acquired on May 10, 2022]
	Sparkle Port Service Limited [acquired on May 10, 2022]
	Sparkle Terminal & Towage Service Limited [acquired on May 10, 2022]
	EZR Technologies Private Limited (Incorporated on December 14, 2021)
	Colombo West International Terminal (Private) Limited
	The Adani Harbour International DMCC, UAE [incorporated on December 22, 2022]
NRC Limited	
<b>Related parties with whom transactions have taken place</b>	
<b>Joint Venture &amp; Associate Entities</b>	Adani CMA Mundra Terminal Private Limited
	Adani International Container Terminal Private Limited
	Adani NYK Auto Logistics Solutions Private Limited
	Dhamra LNG Terminal Private Limited
	Adani Total Private Limited
	Mundra LPG Terminal Private Limited (w.e.f. February 24, 2022 to April 29, 2022)
<b>Key Managerial Personnel and their relatives</b>	Mr. Gautam S. Adani - Chairman and Managing Director
	Mr. Rajesh S. Adani - Director
	Mr. Karan G. Adani - Whole-time Director & Chief Executive Officer
	Dr. Malay Mahadevia - Whole-time Director (upto May 31, 2021), Director (w.e.f. June 01, 2021)
	Prof. G. Raghuram - Independent Non-Executive Director
	Mr. Gopal Krishna Pillai - Independent Non-Executive Director
	Mrs. Nirupama Rao - Independent Non-Executive Director
	Mr. Bharat Sheth - Independent Non-Executive Director
	Mr. Palamadai Sundararajan Jayakumar - Independent Non-Executive Director
	Mrs. Avantika Singh Aulakh IAS, Nominee Director (upto September 20, 2022)
	Mr. Deepak Maheshwari - Chief Financial Officer (upto May 05, 2021)
	Mr. D. Muthukumaran - Chief Financial Officer (w.e.f. July 19, 2022)
Mr. Ranjith Sinh Barad, IAS, Nominee Director (w.e.f. December 21, 2022)	
Mr. Kamlesh Bhagia - Company Secretary	

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting powers</b>	Adani Foundation
	Adani Properties Private Limited
	Delhi Golf Link Properties Private Limited
	Adani Infrastructure and Developers Private Limited
	Adani Infrastructure Management Services Limited
	Adani Renewable Energy (KA) Limited
	Udupi Power Corporation Limited (upto March 06, 2023)
	Adani Mundra SEZ Infrastructure Private Limited
	Adani Township and Real Estate Company Private Limited
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Mundra Solar PV Limited
	Adani Road Transport Limited
	Mundra Solar Technopark Private Limited (upto March 29, 2022)
	Adani Green Energy Limited
	Adani Total Gas Limited
	Adani Global F.Z.E., Dubai
	Adani Estate Management Private Limited
	Adani Infra (India) Limited
	Belvedere Golf and Country Club Private Limited
	Sunanda Agri Trade Private Limited
	Adani Skill Development Center
	Shantigram Utility Services Private Limited
	Mundra LPG Terminal Private Limited (upto February 23, 2022)
	Adani Dhamra LPG Terminal Private Limited
	Adani Power (Mundra) Limited (upto March 06, 2023)
	Adani Power Maharashtra Limited (upto March 06, 2023)
	Adani Power Limited
	Adani Power Rajasthan Limited (upto March 06, 2023)
	Adani Wilmar Limited
	MPSEZ Utilities Limited (w.e.f December 16, 2021)
	Ahmedabad International Airport Limited (formerly known as Adani Ahmedabad International Airport Limited)
	Maharashtra Eastern Grid Power Transmission Company Limited
	Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)
	Adani Airport Holding Limited
	Adani Agri Fresh Limited
	Jash Energy Private Limited
	Mundra Petrochem Limited
	Adani Electricity Mumbai Limited
	Raipur Energen Limited (upto March 06, 2023)
	Raigarh Energy Generation Limited (upto March 06, 2023)
Adani Rail Infra Private Limited	
Adani Transmission Limited	
Navi Mumbai International Airport Limited	
Adani Institute for Education and Research	

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting powers</b>	Vishakha Renewables Private Limited
	Vishakha Solar Films Private Limited
	Mangaluru International Airport Limited
	TRV (Kerala) International Airport Private Limited
	Jaipur International Airport Limited
	Mundra WindTech Limited
	Mundra Solar Energy Limited
	Adani Social Development Foundation
	Mahan Energen Limited
	Adani Global Pte. Limited
	Adani Defense Systems And Technologies Limited
	Adani Digital Labs Private Limited
	Adani Sportsline Private Limited
	Ambuja Cements Limited
	Adani Petrochemicals Limited
	Alton Buildtech India Private Limited
	Mumbai International Airport Limited
	Gare Pelma III Collieries Limited
	Adani Water Limited
	Kutch Copper Limited
North Star Diagnostics Private Limited	
Vishakha Metals Private Limited	
Adani Solar USA Inc, USA	

#### Terms and conditions of transactions with related parties

- (i) Outstanding balances of related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. During the year, the Company has not recorded any impairment of receivables relating to amounts owed by related parties except impairment of ₹1,558.16 crore against loan and investment of a subsidiary. The closing balance of Loans is net of total impairment of ₹1,756.82 crore related to current and previous periods. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (ii) All Rupee loans and foreign currency loans are given on interest bearing within the range of 4 % p.a. to 9 % p.a. except loan to Dholera Infrastructure Private Limited, Dholera Port & Special Economic Zone Limited, Karnavati Aviation Private Limited, Adani Hospitals Mundra Private Limited, Mundra International Airport Private Limited and Abbot Point Operations Pty Limited whereby loan transaction aggregating to ₹48.74 crore (previous year ₹99 crore) are interest free.

#### Notes:

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

#### (A) Transactions with Related Parties

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>1</b>	<b>Income from Port Services / Other Operating Income</b>	<b>151.94</b>	<b>72.69</b>	<b>762.24</b>	<b>661.35</b>	<b>384.59</b>	<b>374.88</b>	-	-
	Adani CMA Mundra Terminal Private Limited	-	-	241.64	197.13	-	-	-	-
	Adani International Container Terminal Private Limited	-	-	520.60	464.21	-	-	-	-
	Adani Power (Mundra) Limited	-	-	-	-	237.65	255.07	-	-
	Others	151.94	72.69	-	0.01	146.94	119.81	-	-
<b>2</b>	<b>Lease &amp; Infrastructure Usage Income/ Upfront Premium</b>	<b>182.68</b>	<b>57.62</b>	<b>15.11</b>	<b>51.17</b>	<b>29.83</b>	<b>63.81</b>	-	-
	Adani Logistics Limited	80.10	50.16	-	-	-	-	-	-
	Mundra LPG Terminal Private Limited	64.43	-	-	38.25	-	26.18	-	-
	Mundra Solar Technopark Private Limited	27.05	-	-	-	-	27.05	-	-
	Others	11.10	7.46	15.11	12.92	29.83	10.58	-	-
<b>3</b>	<b>Interest Income on loans/ deposits/ deferred accounts receivable</b>	<b>882.44</b>	<b>855.43</b>	<b>29.67</b>	<b>45.84</b>	<b>20.25</b>	<b>40.13</b>	-	-
	Adani Hazira Port Limited	97.36	97.50	-	-	-	-	-	-
	Coastal International Terminals Pte. Limited	94.72	38.10	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	450.54	501.26	-	-	-	-	-	-
	Others	239.82	218.57	29.67	45.84	20.25	40.13	-	-
<b>4</b>	<b>Interest Expenses</b>	<b>293.52</b>	<b>91.85</b>	-	-	-	<b>23.76</b>	-	-
	Adani Hazira Port Limited	81.43	30.32	-	-	-	-	-	-
	Adani Rail Infra Private Limited	-	-	-	-	-	23.76	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Shanti Sagar International Dredging Limited	27.27	15.01	-	-	-	-	-	-
	The Adani Harbour Services Limited	132.61	0.19	-	-	-	-	-	-
	The Dhamra Port Company Limited	41.78	36.33	-	-	-	-	-	-
	Others	10.43	10.00	-	-	-	-	-	-
<b>5</b>	<b>Purchase of Spares and consumables, Power &amp; Fuel</b>	<b>0.59</b>	<b>44.13</b>	<b>0.05</b>	<b>0.10</b>	<b>61.46</b>	<b>16.47</b>	-	-
	MPSEZ Utilities Limited	-	43.99	-	-	59.63	15.39	-	-
	Others	0.59	0.14	0.05	0.10	1.83	1.08	-	-
<b>6</b>	<b>Recovery of Income / expenses (Reimbursement)</b>	<b>268.63</b>	<b>13.75</b>	<b>20.63</b>	<b>40.75</b>	-	-	-	-
	Adani Tracks Management Services Limited	255.17	-	-	-	-	-	-	-
	Adani International Container Terminal Private Limited	-	-	16.01	31.66	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	-	-	4.60	9.09	-	-	-	-
	Marine Infrastructure Developers Private Limited	13.46	-	-	-	-	-	-	-
	Mundra Crude Oil Terminal Private Limited	-	10.00	-	-	-	-	-	-
	Others	-	3.75	0.02	-	-	-	-	-
<b>7</b>	<b>Services Availed (including reimbursement of expenses)</b>	<b>300.44</b>	<b>219.05</b>	-	<b>3.29</b>	<b>212.67</b>	<b>64.61</b>	-	-
	Adani Enterprises Limited	-	-	-	-	92.69	37.30	-	-
	Adani Sportslines Private Limited	-	-	-	-	60.00	-	-	-
	Karnavati Aviation Private Limited	107.00	50.00	-	-	-	-	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Shanti Sagar International Dredging Limited	132.90	114.44	-	-	-	-	-	-
	Others	60.54	54.61	-	3.29	59.98	27.31	-	-
<b>8</b>	<b>Rent charges paid</b>	-	<b>0.13</b>	-	-	<b>14.22</b>	<b>14.34</b>	-	-
	Adani Estate Management Private Limited	-	-	-	-	4.35	4.35	-	-
	Adani Properties Private Limited	-	-	-	-	9.60	9.59	-	-
	Others	-	0.13	-	-	0.27	0.40	-	-
<b>9</b>	<b>Sales of Scrap and Other Miscellaneous Income</b>	<b>16.39</b>	<b>30.30</b>	<b>4.84</b>	<b>1.84</b>	<b>52.58</b>	<b>50.91</b>	-	-
	Adani Enterprises Limited	-	-	-	-	18.82	18.46	-	-
	Adani Green Energy Limited	-	-	-	-	10.40	7.96	-	-
	Adani Krishnapatnam Port Limited	5.63	28.60	-	-	-	-	-	-
	Others	10.76	1.70	4.84	1.84	23.36	24.49	-	-
<b>10</b>	<b>Loans Given</b>	<b>6,136.26</b>	<b>7,762.64</b>	-	-	-	-	-	-
	Adani Logistics Limited	1,925.99	809.11	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	2,641.86	1,974.51	-	-	-	-	-	-
	The Adani Harbour Services Limited	-	2,261.98	-	-	-	-	-	-
	Others	1,568.41	2,717.04	-	-	-	-	-	-
<b>11</b>	<b>Loans Received back</b>	<b>7,225.16</b>	<b>8,291.57</b>	<b>266.09</b>	<b>294.45</b>	-	-	-	-
	Adani Logistics Limited	1,729.49	673.19	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	2,931.42	2,622.18	-	-	-	-	-	-
	The Adani Harbour Services Limited	45.78	2,216.20	-	-	-	-	-	-
	The Dhamra Port Company Limited	-	1,438.92	-	-	-	-	-	-
	Others	2,518.47	1,341.08	266.09	294.45	-	-	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>12</b>	<b>Loans taken</b>	<b>13,095.46</b>	<b>6,192.33</b>	-	-	-	-	-	-
	Adani Hazira Port Limited	2,623.80	2,425.25	-	-	-	-	-	-
	Shanti Sagar International Dredging Limited	1,271.42	989.73	-	-	-	-	-	-
	The Adani Harbour Services Limited	6,564.31	-	-	-	-	-	-	-
	The Dhamra Port Company Limited	1,951.24	2,070.06	-	-	-	-	-	-
	Others	684.69	707.29	-	-	-	-	-	-
<b>13</b>	<b>Loans Repaid</b>	<b>9,837.26</b>	<b>5,247.98</b>	-	-	-	<b>279.81</b>	-	-
	Adani Hazira Port Limited	2,618.21	1,174.86	-	-	-	-	-	-
	Shanti Sagar International Dredging Limited	1,421.09	944.39	-	-	-	-	-	-
	The Adani Harbour Services Limited	3,118.86	941.92	-	-	-	-	-	-
	The Dhamra Port Company Limited	2360.88	1,401.67	-	-	-	-	-	-
	Adani Rail Infra Private Limited	-	-	-	-	-	279.81	-	-
	Others	318.22	785.14	-	-	-	-	-	-
<b>14</b>	<b>Interest Capitalised to Loan</b>	<b>33.78</b>	-	-	-	-	-	-	-
	Adani Tracks Management Services Limited	33.78	-	-	-	-	-	-	-
<b>15</b>	<b>Advance / Deposit given</b>	-	-	-	-	<b>0.04</b>	<b>32.83</b>	-	-
	Adani Estate Management Private Limited	-	-	-	-	-	32.83	-	-
	MPSEZ Utilities Limited	-	-	-	-	0.04	-	-	-
<b>16</b>	<b>Advance / Deposit Received back</b>	-	-	-	-	<b>4.73</b>	<b>246.31</b>	-	-
	Adani Bunkering Private Limited	-	-	-	-	-	231.19	-	-
	Adani Estate Management Private Limited	-	-	-	-	4.70	5.12	-	-
	Others	-	-	-	-	0.03	10.00	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>17</b>	<b>Share Application Money Paid / Investment</b>	<b>224.21</b>	<b>0.15</b>	-	-	-	-	-	-
	Adani Ennore Container Terminal Private Limited	123.00	-	-	-	-	-	-	-
	Adani Gangavaram Port Limited	-	0.05	-	-	-	-	-	-
	Adani International Ports Holdings Pte. Limited	101.21	0.04	-	-	-	-	-	-
	HDC Bulk Terminal Limited	-	0.05	-	-	-	-	-	-
	Others	-	0.01	-	-	-	-	-	-
<b>18</b>	<b>Purchase of Investment</b>	<b>1.20</b>	-	-	-	-	-	-	-
	Adani Logistics Services Private Limited	1.16	-	-	-	-	-	-	-
	Others	0.04	-	-	-	-	-	-	-
<b>19</b>	<b>Sale of Investment</b>	-	-	-	-	-	<b>116.27</b>	-	-
	Adani Transmission Limited	-	-	-	-	-	116.27	-	-
<b>20</b>	<b>Donation</b>	-	-	-	-	<b>24.85</b>	<b>13.98</b>	-	-
	Adani Foundation	-	-	-	-	17.25	13.98	-	-
	Adani Skill Development	-	-	-	-	7.60	-	-	-
<b>21</b>	<b>Purchase of Property / Assets / Land use rights</b>	<b>20.58</b>	<b>5.30</b>	-	-	-	<b>25.99</b>	-	-
	Adani Estate Management Private Limited	-	-	-	-	-	14.68	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	-	-	-	11.31	-	-
	Adani Murmugao Port Terminal Private Limited	-	5.30	-	-	-	-	-	-
	Ocean Sparkle Limited	18.75	-	-	-	-	-	-	-
	Others	1.83	-	-	-	-	-	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>22</b>	<b>Sale of Assets</b>	-	<b>53.12</b>	-	-	<b>0.01</b>	-	-	-
	Adani Yangon International Terminal Private Limited	-	53.12	-	-	-	-	-	-
	Mundra Solar Energy	-	-	-	-	0.01	-	-	-
<b>23</b>	<b>Investment in Perpetual Debt / Debentures</b>	<b>5,152.09</b>	<b>2,577.36</b>	-	-	-	-	-	-
	Adani Logistics Limited	3355.78	1,513.00	-	-	-	-	-	-
	Adani Vizhinjam Port Private Limited	306.85	771.31	-	-	-	-	-	-
	Adani Tracks Management Services Limited	900.00	-	-	-	-	-	-	-
	Others	589.46	293.05	-	-	-	-	-	-
<b>24</b>	<b>Redemption of Perpetual Debt</b>	<b>1,000.00</b>	-	-	-	-	-	-	-
	Adani Tracks Management Services Limited	900.00	-	-	-	-	-	-	-
	Adani Logistics Limited	100.00	-	-	-	-	-	-	-
<b>25</b>	<b>Conversion of Loan to Perpetual Debt</b>	-	<b>1,708.30</b>	-	-	-	-	-	-
	Adani Vizhinjam Port Private Limited	-	1,003.59	-	-	-	-	-	-
	Dighi Port Limited	-	704.71	-	-	-	-	-	-
<b>26</b>	<b>Remuneration *</b>	-	-	-	-	-	-	<b>11.20</b>	<b>10.35</b>
	<b>Short-term employee benefits**</b>								
	Mr. Gautam S. Adani	-	-	-	-	-	-	1.80	1.80
	Mr. Karan G. Adani	-	-	-	-	-	-	4.64	3.83
	Mr. Deepak Maheshwari	-	-	-	-	-	-	-	3.02
	Mr. D. Muthukumaran	-	-	-	-	-	-	3.26	-
	Others	-	-	-	-	-	-	0.47	1.04
	<b>Other long-term benefits</b>								
	Others	-	-	-	-	-	-	0.01	0.01
	<b>Post-employment benefits</b>								
	Mr. Karan G. Adani	-	-	-	-	-	-	0.75	0.57

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Mr. Deepak Maheshwari	-	-	-	-	-	-	-	0.03
	Mr. D. Muthukumaran	-	-	-	-	-	-	0.23	-
	Others	-	-	-	-	-	-	0.04	0.05
<b>27</b>	<b>Commission to Directors</b>	-	-	-	-	-	-	<b>2.80</b>	<b>2.80</b>
	Mr. Gautam S. Adani	-	-	-	-	-	-	2.80	2.80
<b>28</b>	<b>Commission to Non-Executive Directors</b>	-	-	-	-	-	-	<b>1.00</b>	<b>1.00</b>
	Prof. G. Raghuram	-	-	-	-	-	-	0.20	0.20
	Ms. Nirupama Rao	-	-	-	-	-	-	0.20	0.20
	Mr. P S Jayakumar	-	-	-	-	-	-	0.20	0.20
	Mr. Bharat Sheth	-	-	-	-	-	-	0.20	0.20
	Mr. Gopal Krishna Pillai	-	-	-	-	-	-	0.20	0.20
<b>29</b>	<b>Sitting Fees</b>	-	-	-	-	-	-	<b>0.45</b>	<b>0.55</b>
	Mr. Gopal Krishna Pillai	-	-	-	-	-	-	0.11	0.12
	Mr. Rajesh S. Adani	-	-	-	-	-	-	0.03	0.08
	Prof. G. Raghuram	-	-	-	-	-	-	0.10	0.10
	Ms. Nirupama Rao	-	-	-	-	-	-	0.05	0.05
	Mr. P.S. Jayakumar	-	-	-	-	-	-	0.08	0.08
	Dr. Malay Mahadevia	-	-	-	-	-	-	0.04	0.08
	Mr. Bharat Sheth	-	-	-	-	-	-	0.04	0.04
<b>30</b>	<b>Sale Consideration against Composite scheme of arrangement</b>	-	<b>6,015.54</b>	-	-	-	-	-	-
	Adani Gangavaram Port Limited (refer note (d) below)	-	5826.89	-	-	-	-	-	-
	Others	-	188.65	-	-	-	-	-	-
<b>31</b>	<b>Issue of Equity Shares against Composite scheme of arrangement</b>	-	-	-	-	-	<b>4,768.22</b>	-	-
	Adani Rail Infra Private Limited	-	-	-	-	-	4,768.22	-	-
<b>32</b>	<b>Dividend Income</b>	<b>1,010.19</b>	<b>91.85</b>	-	-	-	-	-	-
	Adani Petronet (Dahej) Port Limited	102.45	16.65	-	-	-	-	-	-
	MPSEZ Utilities Limited	-	75.19	-	-	-	-	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Shanti Sagar International Dredging Limited	607.73	-	-	-	-	-	-	-
	The Adani Harbour Services Limited	300.00	-	-	-	-	-	-	-
	Others	0.01	0.01	-	-	-	-	-	-
<b>33</b>	<b>Waiver of Investment (refer note 4 (b) (ii))</b>	<b>491.23</b>	-	-	-	-	-	-	-
	Adani Kandla Bulk Terminal Private Limited	491.23	-	-	-	-	-	-	-
<b>34</b>	<b>Corporate Guarantee Given</b>	<b>1,722.00</b>	<b>581.97</b>	-	<b>480.00</b>	-	-	-	-
		<b>USD 699.12 Mn</b>	<b>USD 50 Mn</b>	<b>USD 50 Mn</b>	<b>USD 75 Mn</b>	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	-	-	-	480.00	-	-	-	-
		-	-	USD 50 Mn	USD 75 Mn	-	-	-	-
	Adani Krishnapatnam Port Limited	702.00	490.00	-	-	-	-	-	-
	The Adani Harbour Services Limited	USD 10 Mn	USD 50 Mn	-	-	-	-	-	-
	Adani International Ports Holdings Pte. Limited	USD 646.07 Mn	-	-	-	-	-	-	-
	Others	1,020.00	91.97	-	-	-	-	-	-
		USD 43.05 Mn	-	-	-	-	-	-	-
<b>35</b>	<b>Corporate Guarantee Received</b>	<b>1,600.00</b>	<b>1,000.00</b>	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	-	1,000.00	-	-	-	-	-	-
	Adani Tracks Management Services Limited	1,600.00	-	-	-	-	-	-	-

\*The above remuneration does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified

\*\* Includes payment of variable pay related to previous year

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

#### (B) Balances with Related Parties

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>1</b>	<b>Trade Receivables (net of bills discounted)</b>	<b>236.04</b>	<b>180.03</b>	<b>64.04</b>	<b>107.98</b>	<b>323.89</b>	<b>279.30</b>	-	-
	Adani Power Limited	-	-	-	-	211.89	0.19	-	-
	Adani Power (Mundra) Limited	-	-	-	-	-	225.84	-	-
	Mundra Solar Technopark Private Limited	161.84	149.95	-	-	-	-	-	-
	Others	74.20	30.08	64.04	107.98	112.00	53.27	-	-
<b>2</b>	<b>Loans (Net of provision)</b>	<b>9,127.08</b>	<b>11,598.40</b>	<b>300.33</b>	<b>537.85</b>	-	-	-	-
	Adani Hazira Port Limited	600.00	1,300.00	-	-	-	-	-	-
	Coastal International Terminals Pte. Limited (refer note 47)	100.78	1,444.75	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	5,639.27	5,928.83	-	-	-	-	-	-
	Others	2,787.03	2,924.82	300.33	537.85	-	-	-	-
<b>3</b>	<b>Capital Advances</b>	-	-	-	-	<b>9.03</b>	<b>13.19</b>	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	-	-	9.03	13.19	-	-
<b>4</b>	<b>Trade Payables (including provisions)</b>	<b>83.34</b>	<b>69.06</b>	<b>0.46</b>	<b>0.95</b>	<b>69.67</b>	<b>56.06</b>	-	-
	Adani Power Limited	-	-	-	-	43.68	-	-	-
	Adani Power (Mundra) Limited	-	-	-	-	-	32.68	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Karnavati Aviation Private Limited	25.64	18.34	-	-	-	-	-	-
	Shanti Sagar International Dredging Limited	47.29	40.01	-	-	-	-	-	-
	Others	10.41	10.71	0.46	0.95	25.99	23.38	-	-
<b>5</b>	<b>Advances and Deposits from Customer/ Sale of Assets</b>	-	-	<b>0.56</b>	<b>0.54</b>	<b>5.63</b>	<b>7.88</b>	-	-
	Adani Enterprises Limited	-	-	-	-	1.85	1.85	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	-	-	-	1.15	-	-
	Adani Wilmar Limited	-	-	-	-	1.58	1.88	-	-
	Mundra Solar PV Limited	-	-	-	-	-	0.92	-	-
	Others	-	-	0.56	0.54	2.20	2.08	-	-
<b>6</b>	<b>Other Financial &amp; Non-Financial Assets</b>	<b>709.02</b>	<b>6,321.93</b>	<b>14.82</b>	<b>61.58</b>	<b>491.95</b>	<b>465.50</b>	-	-
	Adani Gangavaram Port Limited	-	5,826.89	-	-	-	-	-	-
	Adani Power Limited	-	-	-	-	143.41	-	-	-
	Adani Properties Private Limited	-	-	-	-	135.98	135.98	-	-
	Adani Krishnapatnam Port Limited	395.62	308.96	-	-	-	-	-	-
	Others	313.40	186.08	14.82	61.58	212.56	329.52	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>7</b>	<b>Borrowings</b>	<b>5,629.72</b>	<b>2,371.52</b>	-	-	-	-	-	-
	Adani Hazira Port Limited	1,376.88	1,371.30	-	-	-	-	-	-
	The Adani Harbour Services Limited	3,445.45	-	-	-	-	-	-	-
	The Dhamra Port Company Limited	258.74	668.39	-	-	-	-	-	-
	Others	548.65	331.83	-	-	-	-	-	-
<b>8</b>	<b>Other Financial &amp; Non-Financial Liabilities</b>	<b>91.27</b>	<b>290.99</b>	-	-	<b>2.39</b>	<b>12.44</b>	-	-
	Adani Hazira Port Limited	73.29	0.51	-	-	-	-	-	-
	Adani Track Management Services Limited	-	259.45	-	-	-	-	-	-
	Others	17.98	31.03	-	-	2.39	12.44	-	-
<b>9</b>	<b>Corporate Guarantee Given</b>	<b>1,524.08</b>	<b>1,483.80</b>	<b>382.92</b>	<b>564.48</b>	-	-	-	-
		<b>USD 622 Mn</b>	<b>USD 39.05 Mn</b>	<b>USD 374.80 Mn</b>	<b>USD 315.08 Mn</b>	-	-	-	-
		<b>EUR 48.78 Mn</b>	<b>EUR 58.03 Mn</b>	-	-	-	-	-	-
	Adani International Ports Holdings Pte. Limited	USD 522.24 Mn	-	-	-	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	-	-	178.07	446.80	-	-	-	-
		-	-	USD 67.54 Mn	USD 59.02 Mn	-	-	-	-
	Dhamra LNG Terminal Private Limited	-	-	204.85	117.68	-	-	-	-
		-	-	USD 307.26 Mn	USD 256.06 Mn	-	-	-	-
	Others	1,524.08	1,483.80	-	-	-	-	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Subsidiaries		With Joint Ventures / Associate		With Other Entities #		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Others	USD 99.76 Mn	USD 39.05 Mn	-	-	-	-	-	-
		EUR 48.78 Mn	EUR 58.03 Mn	-	-	-	-	-	-
<b>10</b>	<b>Corporate Guarantee Received</b>	<b>2,679.22</b>	<b>1,028.25</b>	-	-	-	-	-	-
	Adani Track Management Services Limited	1,650.97	-	-	-	-	-	-	-
	Adani Krishnapatnam Port Limited	1,028.25	1,028.25	-	-	-	-	-	-

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

#### Notes:

- The Company has allowed some of its subsidiaries, joint ventures and other group company to avail non fund based facilities out of its credit facilities. The aggregate of such transaction amounts to ₹766.24 crore (previous year ₹566.92 crore) is not disclosed in above schedule.
- Pass through transactions/payable relating to railway freight, water front charges and other payable to third parties have not been considered for the purpose of related party disclosure.
- The Loans and ICDs of ₹83 crores (Previous year ₹208 crore) as at the balance sheet date are guaranteed by Adani Properties Private Limited, a promoter group company and a related party.
- Adani Gangavaram Port Limited has issued Optionally Convertible Debentures of ₹4365.89 crore against consideration of composite scheme of arrangement has not been considered for the purpose of related party disclosure.
- Pursuant to the amalgamation of Adani Power Maharashtra Limited, Adani Power Rajasthan Limited, Udupi Power Corporation Limited, Raigarh Energy Generation Limited, Raipur Energen Limited and Adani Power (Mundra) Limited with Adani Power Limited, the Company has disclosed the closing balances as on March 31, 2023 of above amalgamated companies as closing balances of Adani Power Limited.
- Above disclosure excludes payment made to Karaikal Port Private Limited w.r.t order passed by the National Company Law Tribunal ("NCLT") on March 31, 2023 (refer note 4(n)).
- Transactions/balances with related party having value equal to / exceeding 10% of total transaction/balances of respective category is considered as material and have been disclosed separately.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

- 33** a) The Company takes various types of derivative instruments. The category-wise outstanding position of derivative instruments are as under:

Nature	Particulars of Derivatives		Purpose
	As at March 31, 2023	As at March 31, 2022	
Forward Contract	USD 32.20 Million	USD 23 Million	Hedging of expected future billing based on foreign currency denominated tariff
	USD 245 Million	USD 25 Million	Hedging of foreign currency borrowing principal & interest liability

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

Nature	As at March 31, 2023		As at March 31, 2022	
	Amount	Foreign Currency	Amount	Foreign Currency
	(₹ In Crore)	(in Million)	(₹ In Crore)	(in Million)
Foreign Currency Loan	-	-	18.61	EUR 2.21
Foreign Currency Bond	30,074.12	USD 3,659.99	29,559.08	USD 3900
Buyer's Credit	308.24	USD 37.51	181.90	USD 24
Trade Payables and Other Current Liabilities	39.42	USD 4.80	49.74	USD 6.56
	10.88	EUR 1.22	1.41	EUR 0.17
	0.16	SGD 0.03	0.13	SGD 0.02
	-	-	*	AUD *
	0.01	OMR *	-	-
Interest accrued but not due	199.69	USD 24.30	28.79	USD 3.80
	-	-	0.03	EUR *
Trade Receivable	*	USD *	-	-
	0.02	EUR *	-	-
Other Receivable	183.35	USD 22.31	148.72	USD 19.62
	-	-	0.02	EUR *
Loan given**	-	-	45.39	AUD 8
	707.90	USD 86.15	1,905.07	USD 251.35

\* Figures being nullified on conversion to ₹ in crore and foreign currency in million

\*\* Net of Impairment of USD 188.85 million

### Closing rates as at :

Particulars	March 31, 2023	March 31, 2022
INR / USD	82.17	75.79
INR / EUR	89.44	84.22
INR / GBP	101.65	99.46
INR / AUD	55.03	56.74
INR / SGD	61.79	55.97
INR / OMR	213.43	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

#### 34.1 Category-wise Classification of Financial Instruments:

₹ in Crore

Particulars	Refer Note	As at March 31, 2023			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	65.44	65.44
Bank balances other than cash and cash equivalents	11	-	-	1,965.54	1,965.54
Investments in unquoted Equity Shares (other than investment in subsidiaries and joint ventures)	4	283.90	-	-	283.90
Investment in Non Convertible Redeemable Debentures	4 & 10	-	-	500.00	500.00
Investment in Special Infrastructure Investment Scheme of ASSIS	10	-	1,136.98	-	1,136.98
Trade Receivables (including bills discounted)	5	-	-	1,274.14	1,274.14
Loans	6	-	-	10,893.58	10,893.58
Derivatives instruments	7	-	29.83	-	29.83
Other Financial Assets	7	-	-	4,313.21	4,313.21
<b>Total</b>		<b>283.90</b>	<b>1,166.81</b>	<b>19,011.91</b>	<b>20,462.62</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted and current maturities)	14 & 18	-	-	47,522.48	47,522.48
Trade Payables	19	-	-	578.79	578.79
Derivatives instruments	16	-	42.99	-	42.99
Lease Liabilities	15	-	-	128.69	128.69
Other Financial Liabilities	16	-	-	1,182.98	1,182.98
<b>Total</b>		<b>-</b>	<b>42.99</b>	<b>49,412.94</b>	<b>49,455.93</b>

₹ in Crore

Particulars	Refer Note	As at March 31, 2022			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	4,828.04	4,828.04
Bank balances other than cash and cash equivalents	11	-	-	3,333.70	3,333.70
Investments in unquoted Equity Shares (other than investment in subsidiaries, joint ventures and Associates)	4	275.05	-	-	275.05
Investment in Non Convertible Redeemable Debentures	4	-	-	500.00	500.00

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

₹ in Crore

Particulars	Refer Note	As at March 31, 2022			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Investment in Special Infrastructure Investment Scheme of ASSIS	4	-	1,129.49	-	1,129.49
Trade Receivables (including bills discounted)	5	-	-	1,082.13	1,082.13
Loans	6	-	-	12,342.67	12,342.67
Derivatives instruments	7	-	1.56	-	1.56
Other Financial Assets	7	-	-	10,334.77	10,334.77
<b>Total</b>		<b>275.05</b>	<b>1,131.05</b>	<b>32,421.31</b>	<b>33,827.41</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted and current maturities)	14 & 18	-	-	44,774.76	44,774.76
Trade Payables	19	-	-	461.01	461.01
Derivatives instruments	16	-	13.95	-	13.95
Lease Liabilities	15	-	-	133.59	133.59
Other Financial Liabilities	16	-	-	1,273.23	1,273.23
<b>Total</b>		<b>-</b>	<b>13.95</b>	<b>46,642.59</b>	<b>46,656.54</b>

**Note:** Investment amounting to ₹44,051.84 crore (previous year ₹31,843.29 crore) are measured at cost hence not included in above tables.

#### 34.2 Fair Value Measurements:

##### a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

₹ in Crore

Particulars	As at March 31, 2023			As at March 31, 2022		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
<b>Financial Assets</b>						
Investment in unquoted Equity Investments measured at FVTOCI (refer note (4))	-	283.90	283.90	-	275.05	275.05
Investment in Infrastructure Investment Fund (refer note (4) & (10))	1,136.98	-	1,136.98	1,129.49	-	1,129.49
Derivatives instruments (refer note 7)	29.83	-	29.83	1.56	-	1.56
<b>Financial Liabilities</b>						
Derivatives instruments (refer note 16)	32.82	10.17	42.99	0.19	13.76	13.95
<b>Total</b>	<b>1,199.63</b>	<b>294.07</b>	<b>1,493.70</b>	<b>1,131.24</b>	<b>288.81</b>	<b>1,420.05</b>

Derivative instruments are valued based on observable inputs i.e. yield curves, FX rates and volatilities etc.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

The company has entered into call option agreement for an equity investment, whereby the company has agreed to grant the buyer an option to purchase the underlying equity investment, the fair value of such call option as at March 31, 2023 is ₹10.17 crore (previous year ₹13.76 crore). The fair value is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the spot price, expected price volatility and the risk-free interest rate for the term of the option. The critical inputs for options granted are : (i) Expected price volatility : 38 % (ii) Risk-free interest rate: 5.60 % (iii) Intrinsic value : Nil

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

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

Particulars	Valuation technique	Significant unobservable inputs	Weighted average	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF Method	Weighted Average Cost of Capital (WACC)	March 31, 2023 : 11.75% March 31, 2022 : 13.18%	1% increase would result in decrease in fair value by ₹3.30 crore as of March 31, 2023 (₹2.25 crore as of March 31, 2022)

#### c) Financial Instrument measured at Amortised Cost

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

### 34.3 Financial Risk Management objective and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, lease liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations and its subsidiaries and joint ventures. The Company's principal financial assets include loans, investment including mutual funds, trade and other receivables, lease receivables and cash and cash equivalents which is derived from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

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

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

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

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

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments, short term Investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2023 and March 31, 2022. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

#### (i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

#### Interest rate sensitivity

The following paragraph demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2023 would decrease / increase by ₹3.23 crore (previous year ₹10.07 crore). This is mainly attributable to interest rates on variable rate of long term borrowings. The same has been calculated based on risk exposure outstanding as on balance sheet date. The year end balances are not necessarily representative of average debt outstanding during the year.

#### (ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD) and Euro (EUR) against Indian Rupee (INR), have an impact on the Company's operating results. The Company manages its foreign currency risk by entering into currency swap for converting other foreign currency loan into INR. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or creditors. Further, to hedge

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

foreign currency future transactions in respect of which firm commitment are made or which are highly probable forecast transactions (for instance, foreign exchange denominated income) the Company has entered into foreign currency forward contracts as per the policy of the Company.

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

The Company's forex revenues provide a natural hedge to its forex debt, derisking it against currency movements.

₹ in Crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>USD Sensitivity</b>				
RUPEES / USD – Increase by 1%	(297.30)	(277.66)	(297.30)	(277.66)
RUPEES / USD – Decrease by 1%	297.30	277.66	297.30	277.66
<b>EURO Sensitivity</b>				
RUPEES / EURO – Increase by 1%	(0.11)	(0.01)	(0.11)	(0.01)
RUPEES / EURO – Decrease by 1%	0.11	0.01	0.11	0.01
<b>SGD Sensitivity</b>				
RUPEES / SGD – Increase by 1%	*	*	*	*
RUPEES / SGD – Decrease by 1%	*	*	*	*
<b>AUD Sensitivity</b>				
RUPEES / AUD – Increase by 1%	-	0.45	-	0.45
RUPEES / AUD – Decrease by 1%	-	(0.45)	-	(0.45)
<b>OMR Sensitivity</b>				
RUPEES / OMR – Increase by 1%	*	-	*	-
RUPEES / OMR – Decrease by 1%	*	-	*	-

\* Figures being nullified on conversion to ₹ in crore

#### (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.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

#### 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 Management of the Company on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. 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 Finance Committee of 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 Management including assessment by external legal expert, and by assessing financial ability of the guarantor.

Corporate Guarantees given to banks and financial institutions against credit facilities availed by the subsidiaries and joint ventures ₹10,534.05 crore (previous year ₹5,221.10 crore)

#### Concentrations of Credit risk form part of Credit risk

Considering that the Company operates the port services and provide related infrastructure services, the Company is significantly dependent on such customers located at Mundra. Out of total income from port operations, the Company earns 49 % revenue (previous year 49 %) from such customers, and with some of these customers, the Company has long term cargo contracts. As at March 31, 2023, receivables from such customer constitute 40% (previous year 45%) of total trade receivables. A loss of these customer could adversely affect the operating result or cash flow of the Company.

#### c) Liquidity risk

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

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

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 Crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
<b>As at March 31, 2023</b>						
Borrowings (including bills discounted)	14 & 18	3,463.29	26,233.46	17,934.06	47,630.81	47,522.48
Interest on borrowings	16	1,999.97	6,574.36	4,042.43	12,616.76	677.07
Trade Payables	19	578.79	-	-	578.79	578.79
Lease Liabilities (Including finance charge)	15	14.82	60.22	128.25	203.29	128.69
Other Financial Liabilities	16	501.86	46.60	0.44	548.90	548.90
<b>Total</b>		<b>6,558.73</b>	<b>32,914.64</b>	<b>22,105.18</b>	<b>61,578.55</b>	<b>49,455.93</b>

₹ in Crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
<b>As at March 31, 2022</b>						
Borrowings (including bills discounted)	14 & 18	6,538.03	11,764.51	26,665.96	44,968.50	44,774.76
Interest on borrowings	16	2,051.14	6,674.68	4,745.51	13,471.33	581.98
Trade Payables	19	461.01	-	-	461.01	461.01
Lease Liabilities (Including finance charge)	15	14.82	59.84	143.39	218.05	133.59
Other Financial Liabilities	16	691.69	13.05	0.46	705.20	705.20
<b>Total</b>		<b>9,756.69</b>	<b>18,512.08</b>	<b>31,555.32</b>	<b>59,824.09</b>	<b>46,656.54</b>

#### Notes:

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

#### 34.4 Capital management

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

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (contd.)

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

₹ in Crore

Particulars	March 31, 2023	March 31, 2022
Total Borrowings (including bills discounting) (refer note 14 and 18)	47,522.48	44,774.76
Less: Cash and bank balance (refer note 11)	2,030.98	8,161.74
Net Debt (A)	<b>45,491.50</b>	<b>36,613.02</b>
Total Equity (B)	28,702.69	30,011.28
Total Equity and Net Debt (C = A + B)	<b>74,194.19</b>	<b>66,624.30</b>
Gearing ratio (D=A/C)	61%	55%

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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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

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

₹ in Crore

Sr. No	Particulars	March 31, 2023	March 31, 2022
i)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year. Principal Interest	15.98 -	6.78 -
ii)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii)	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.	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v)	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 MSMED Act 2006.	-	-

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 36 Capital Commitments and Other Commitments

#### (i) Capital Commitments

Estimated amount of contract [net of security deposits amounting to ₹713.63 crore (previous year ₹1,210.63 crore) included in note 7 and Capital advances] remaining to be executed on capital account and not provided for ₹4,909.62 crore (previous year ₹4,068.58 crore) pertains to various projects to be executed during the next 5 years.

#### (ii) Other Commitments

- a) The port projects of subsidiary company viz. The Dhamra Port Company Limited ("DPCL") and joint venture Adani International Container Terminal Private Limited ("AICTPL") have been funded through various credit facility agreements with banks. Against the said facilities availed by the aforesaid entities from the banks, the Company has pledged its shareholding in the subsidiary / joint venture companies and executed Non Disposal Undertaking, the details of which is tabulated below :-

The details of shareholding pledged by the Company is as follows :

Particulars	% of Non disposal undertaking (Apart from pledged)		% of Share Pledged of the total shareholding of investee company	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Adani International Container Terminal Private Limited	50.00%	50.00%	-	-
The Dhamra Port Company Limited	21.00%	21.00%	30.00%	30.00%

- b) The Company has provided a letter of support to few subsidiaries and Joint Venture to provide financial support if and when needed to meet its financial obligation.

### 37 Contingent Liabilities not provided for

Sr. No	Particulars	₹ in Crore	
		March 31, 2023	March 31, 2022
a)	Certain facilities availed by the subsidiaries and joint ventures against credit facilities sanctioned to the Company.	766.24	566.92
b)	Bank Guarantees given to government authorities and banks	280.54	280.54
c)	Show cause notices from the Custom Authorities against duty on port related cargo. The Company has given deposit of ₹0.05 crore (previous year ₹0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14	0.14

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 37 Contingent Liabilities not provided for (contd.)

₹ in Crore

Sr. No	Particulars	₹ in Crore	
		March 31, 2023	March 31, 2022
d)	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeals there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other fixed assets during financial year 2006-07 to 2016-17. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of ₹4.50 crore (previous Year ₹4.50 crore ) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011).	32.63	32.63
e)	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat ₹6.72 crore (previous Year ₹6.72 crore) and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad ₹0.15 crore (previous Year ₹0.15 crore) and Commissioner of Service Tax Ahmedabad ₹0.03 crore (previous Year ₹0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90	6.90
f)	Commissioner of Customs, Ahmedabad has vide order no.4/ Comm./SIIB/2009 dated November 25, 2009 imposed penalty in connection with import of Air Craft owned by Karnavati Aviation Private Limited (Formerly known as Gujarat Adani Aviation Private Limited.), subsidiary of the Company. Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the imposition of penalty, the management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognized in the books of account.	2.00	2.00
g)	The Company's tax assessments is completed till Assessment year 2021-22, Appeals are pending with High Court/Supreme Court for Assessment Year 2008-09 to AY 2010-11, with Appellate Tribunal for Assessment Year 2012-13 to 2016-17 & with CIT for AY 2017-18 to AY 2021-22. Company has received favourable orders on most of the matters for AY 2008-09 to AY 2016-17 from CIT(A)/ITAT/High Court, hence the management is reasonably confident that no liability will devolve on the Company. Company has considered it as remote liability.		
h)	For Arbitration related matter refer note 40.		

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

**38** The following are the details of loans and advances in the nature of loans given to subsidiaries, Joint Ventures, associates and other entities in which directors are interested in terms of regulation 53 (F) read together with para A of Schedule V of SEBI ( Listing Obligation and Disclosure Regulation, 2015).

₹ in Crore

Sr. No	Particulars	Outstanding amount as at		Maximum amount outstanding during the year	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Adani Logistics Limited	332.43	135.93	388.89	141.13
2	Adani Kandla Bulk Terminal Private Limited (refer note 4(b) (ii))	668.10	816.83	823.43	833.33
3	The Dhamra Port Company Limited	-	-	-	1,086.45
4	Adani Petronet (Dahej) Port Limited	-	-	-	52.03
5	Adani Murmugao Port Terminal Private Limited	426.37	427.53	441.44	438.70
6	Adani Ennore Container Terminal Private Limited	196.22	344.01	353.00	397.48
7	Adani Hazira Port Limited	600.00	1,300.00	1,300.00	1,300.00
8	Adani Vizag Coal Terminal Private Limited (refer note 4(b) (i))	282.61	280.92	282.61	435.89
9	Karnavati Aviation Private Limited	33.08	36.80	65.72	59.76
10	Adani Kattupalli Port Limited	-	-	-	21.50
11	Shanti Sagar International Dredging Limited	-	-	-	29.68
12	Mundra SEZ Textile and Apparel Park Private Limited	7.69	7.11	9.44	31.81
13	Adani Vizhinjam Port Private Limited	-	-	-	1,003.59
14	Mundra International Airport Private Limited	3.15	2.60	3.15	2.60
15	Adani Hospitals Mundra Private Limited	3.36	5.07	5.87	13.34
16	MPSEZ Utilities Limited (upto December 15, 2021)	-	-	-	1.23
17	Adani Total Private Limited	-	-	-	68.00
18	Adani Warehousing Services Private Limited	-	12.73	14.47	13.12
19	Abbot Point Operations Pty Limited	-	45.39	45.39	86.34
20	Adani CMA Mundra Terminal Private Limited	300.33	277.02	300.33	277.02
21	Adani International Container Terminal Private Limited	-	260.83	260.83	484.05
22	Marine Infrastructure Developer Private Limited	139.10	189.55	189.55	233.65

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

38 (contd.)

₹ in Crore

Sr. No	Particulars	Outstanding amount as at		Maximum amount outstanding during the year	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
23	Dholera Infrastructure Private Limited	4.91	4.91	4.91	4.91
24	Dholera Port & Special Economic Zone Limited	4.22	4.22	4.22	4.22
25	Adani International Ports Holdings Pte. Limited	298.85	116.49	298.85	116.49
26	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited)	5,639.27	5,928.83	6,614.48	7,261.27
27	Adani Bangladesh Ports Private Limited	-	-	-	9.58
28	Dighi Port Limited	-	-	-	704.71
29	Anchor Port Holding Pte. Limited (formerly known as Adani Mundra Port Holding Pte. Limited)	7.93	5.04	7.93	187.29
30	Mundra Crude Oil Terminal Limited	147.25	160.00	160.00	188.08
31	Adani Tracks Management Services Limited (formerly known as Sarguja Rail Corridor Private Limited)	257.97	628.96	643.05	628.96
32	The Adani Harbour Services Limited	-	45.78	45.78	1,082.61
33	Coastal International Terminals Pte. Limited (formerly known as Adani International Terminals Pte. Limited) (refer note 47)	1,652.59	1,444.75	1,652.59	1,444.75
34	HDC Bulk Terminal Limited	0.40	-	0.40	-
35	Adani Container Terminal Limited (Formerly known as Adani Pipelines Private Limited)	135.06	-	135.06	-
36	Adani Bulk Terminals (Mundra) Limited (formerly known as Adani Agri Logistics (Bathinda) Limited)	43.32	-	43.32	-

Note: All loans are given on interest bearing except loan to Dholera Infrastructure Private Limited, Dholera Port & Special Economic Zone Limited, Karnavati Aviation Private Limited, Adani Hospitals Mundra Private Limited, Mundra International Airport Private Limited and Abbot Point Operations Pty Limited.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 39 Disclosure of significant interest in subsidiaries, associates and joint ventures as per Ind AS 27 para 17.

Sr. No	Name of Entities	Relationship	Place of Business	Ownership % March 31, 2023	Ownership % March 31, 2022
1	Adani Logistics Limited	Subsidiary	India	100	100
2	Karnavati Aviation Private Limited	Subsidiary	India	100	100
3	Mundra SEZ Textile and Apparel Park Private Limited	Subsidiary	India	50	50
4	Adani Murrugao Port Terminal Private Limited	Subsidiary	India	100	100
5	Mundra International Airport Private Limited	Subsidiary	India	100	100
6	Adani Hazira Port Limited (Formerly known as Adani Hazira Port Private Limited)	Subsidiary	India	100	100
7	Adani Petronet (Dahej) Port Limited (Formerly known as Adani Petronet (Dahej) Port Private Limited)	Subsidiary	India	74	74
8	Madurai Infrastructure Private Limited	Subsidiary	India	100	100
9	Adani Vizag Coal Terminal Private Limited	Subsidiary	India	100	100
10	Adani Kandla Bulk Terminal Private Limited	Subsidiary	India	100*	100*
11	Adani Warehousing Services Private Limited	Subsidiary	India	100	100
12	Adani Ennore Container Terminal Private Limited	Subsidiary	India	100	100
13	Adani Hospitals Mundra Private Limited	Subsidiary	India	100	100
14	The Dhamra Port Company Limited	Subsidiary	India	100	100
15	Shanti Sagar International Dredging Limited (Formerly known as Shanti Sagar International Dredging Private Limited )	Subsidiary	India	100	100
16	Abbot Point Operations Pty Limited	Subsidiary	Australia	100	100
17	Adani Vizhinjam Port Private Limited	Subsidiary	India	100	100
18	Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)	Subsidiary	India	100	100
19	The Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Private Limited)	Subsidiary	India	100	100
20	Adani Ports Technologies Private Limited (formerly known as Mundra International Gateway Terminal Private Limited)	Subsidiary	India	100	100
21	Coastal International Terminals Pte. Limited (formerly known as Adani International Terminals Pte. Limited)	Subsidiary	Singapore	100	100
22	Dholera Infrastructure Private Limited	Subsidiary	India	49	49
23	Adinath Polyfills Private Limited	Subsidiary	India	100	100
24	Marine Infrastructure Developer Private Limited	Subsidiary	India	97	97
25	Anchor Port Holding Pte. Limited (formerly known as Adani Mundra Port Holding Pte. Limited)	Subsidiary	Singapore	100	100

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 39 Disclosure of significant interest in subsidiaries, associates and joint ventures as per Ind AS 27 para 17. (contd.)

Sr. No	Name of Entities	Relationship	Place of Business	Ownership % March 31, 2023	Ownership % March 31, 2022
26	Mundra Crude Oil Terminal Private Limited (Formerly known as Adani Bhavanapadu Port Private Limited)	Subsidiary	India	100	100
27	Adani Container Terminal Limited (Formerly known as Adani Pipelines Private Limited)	Subsidiary	India	100	100
28	Adani Bangladesh Ports Private Limited	Subsidiary	Bangladesh	100	100
29	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited)	Subsidiary	India	100	100
30	Dighi Port Limited	Subsidiary	India	100	100
31	Aqua Desilting Private Limited	Subsidiary	India	100	100
32	Adani Gangavaram Port Limited (Formerly known as Adani Gangavaram Port Private Limited)	Subsidiary	India	100	100
33	HDC Bulk Terminal Limited	Subsidiary	India	100	100
34	Adani Tracks Management Services Limited (formerly known as Sarguja Rail Corridor Private Limited)	Subsidiary	India	100	100
35	Mundra Solar Technopark Private Limited (refer note 4 (l))	Subsidiary	India	11	11
36	Adani International Ports Holdings Pte. Limited	Subsidiary	Singapore	100	100
37	Adani Bulk Terminals (Mundra) Limited (formerly known as Adani Agri Logistics (Bathinda) Limited)	Subsidiary	India	100	-
38	Tajpur Sagar Port Limited	Subsidiary	India	100	-
39	Adani Container Manufacturing Limited (Formerly known as Adani Cargo Logistics Limited)	Subsidiary	India	100	-
40	Adani Aviation Fuel Limited	Subsidiary	India	100	-
41	Gangavaram Port Services (India) Private Limited	Subsidiary	India	100	100
42	Mediterranean International Ports A.D.G.D Limited	Subsidiary	Israel	70	-
43	Mundra LPG Terminal Private Limited (refer note 4(m))	Subsidiary	India	49	-
		Associate	India	-	49
44	Indianoil Adani Ventures Limited (formerly known as Indian Oiltanking Limited)	Joint Ventures	India	49	-
45	IOT Utkal Energy Services Limited		India	49	-
46	Adani International Container Terminal Private Limited		India	50	50
47	Adani CMA Mundra Terminal Private Limited		India	50	50
48	Karaikal Port Private Limited (w.e.f March 31, 2023)	Subsidiary	India	(Refer note 4(n))	-

\* Includes beneficial ownership of 26% of equity interest in aforesaid subsidiary (refer note 4(c))

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

**40** The Company had entered into preliminary agreement dated September 30, 2014 with a party for development and maintenance of Liquefied Natural Gas ("LNG") terminal infrastructure facilities at Mundra ("the LNG Project").

During the year ended March 31, 2020, due to the disputes between the Company and Customer with respect to construction, operation and maintenance of the LNG Project, part of the cost has been capitalised in Property, Plant and Equipment, Interim Settlement and Arbitration Agreement dated December 24, 2019 was executed. Pursuant thereto, ₹666 crore has been received and arbitration has been invoked by the Company. On July 08, 2020, the Company has filed its claim before Arbitral Tribunal. On October 07, 2020, the customer has also filed counter claim before Arbitral Tribunal. Pending further developments, no adjustments has been made till March 31, 2023.

**41** On September 23, 2021 DGFT issued a notification, which restricts the Company's eligibility for SEIS benefits and also restricts the benefit up to ₹5 Crore per entity for FY 2019-20, pursuant to which the SEIS receivable amounting to ₹120.60 crore pertaining to FY 2019-20 has been written off during the previous year and is shown as an exceptional item. However, the Company has contested the legality and retrospective application of the said notification.

**42 a)** January 27, 2022 National Company Law Tribunal ("NCLT") have approved the Composite Scheme of Arrangement between the Company and Brahmi Tracks Management Services Private Limited ("Brahmi") and Adani Tracks Management Services Private Limited ("Adani Tracks") and Sarguja Rail Corridor Private Limited ("Sarguja") and their respective shareholders and creditors (the 'Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder ("the Act").

Consequent to above, Brahmi got amalgamated with the company w.e.f. appointed date April 1, 2021. Further, Mundra rail business ("Divestment Business undertaking") is transferred to Sarguja on Slump sale basis at a consideration of ₹188.65 crore with appointed date April 2, 2021. Accordingly, the company has derecognized the carrying value of assets and liabilities of the divestment business undertaking and recognized the difference between the carrying value and consideration in other equity. Further, transaction costs pertaining to such scheme has been charged off to Statement of Profit and Loss on the same date.

Pursuant to the Scheme, the Company has allotted 7,06,21,469 equity shares having face value of ₹2 each at an issue price of ₹675.18 per share to the erstwhile promoters of Brahmi Track Management Services Private Limited.

Sarguja Rail Corridor Private Limited renamed as Adani Tracks Management Services Limited

**b)** The Ahmedabad Bench and Hyderabad Bench of the National Company Law Tribunal ("NCLT"), through their orders dated September 21, 2022 and October 10, 2022 respectively, have approved the Composite Scheme of Arrangement between the Company, Gangavaram Port Limited ("GPL"), Adani Gangavaram Port Private Limited ("AGPPL" – a wholly owned subsidiary of the Company) and their respective shareholders and creditors (the 'Scheme').

Pursuant to the Scheme, Company had issued 159 fully paid-up equity shares of APSEZ for 1,000 fully paid-up equity shares held by such member in GPL ("Share Exchange Ratio"). Accordingly, Company has allotted 4,77,65,715 equity shares having face value of ₹2 each at an issue price of ₹754.78 per share to the erstwhile promoters of Gangavaram Port Limited on October 19, 2022. However the same have been considered while calculating the Basic and Diluted Earnings per Share for the previous year.

W.e.f. December 30, 2022, Adani Gangavaram Port Private Limited ("AGPPL") has been converted into Public Limited Company and consequently the name of the AGPPL has been changed to Adani Gangavaram Port Limited ("AGPL").

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 42 (contd.)

**Below is detail of fair value of the identifiable assets and liabilities as at the date of acquisition and transfer pursuant to divestment business undertaking**

₹ in Crore

Particulars	Acquisition	Transfer pursuant to divestment business undertaking
<b>Assets</b>		
Tangible and Intangible Assets	5,276.90	6,067.76
Investments	1.00	-
Other Financial/Non-Financial Assets	202.52	188.45
Inventories	10.85	10.85
Trade Receivables	43.59	43.59
Cash and Bank Balances	529.72	529.72
<b>Total Assets</b>	<b>6,064.58</b>	<b>6,840.37</b>
<b>Liabilities</b>		
Lease Liabilities	32.34	32.34
Deferred Tax Liabilities	511.34	873.27
Trade Payables	26.93	26.93
Other Financial/Non-Financial Liabilities	79.11	79.11
Provisions	1.10	1.10
<b>Total Liabilities</b>	<b>650.82</b>	<b>1,012.75</b>
<b>Total Identifiable Net Assets at fair value / Carrying Value</b>	<b>5,413.76</b>	<b>5,827.62</b>
Purchase Consideration	6204.62	5826.89
Goodwill / (Capital Reserve) arising on Acquisition / Divestment Business Undertaking	<b>790.86</b>	<b>(0.73)</b>

#### Notes:

- (a) The determination of the fair value is based on discounted cash flow method. Key assumptions on which the management has based fair valuation includes estimated long-term growth rates, weighted average cost of capital and estimated operating margin. The Cash flow projections take into account past experience and represent the management's best estimate about future developments.
- (b) Pursuant to the scheme, GPL got merged with the Company w.e.f April 1, 2021. Thereafter, Divestment Business Undertaking as defined in Scheme got transferred to AGPPL with appointed date i.e April 2, 2021 and the same has been accounted as transaction between commonly controlled entities under appendix C of Ind AS 103. Consequently, the Company has restated the reported financial statement of the previous year.

**The Summarised reconciliation of the reported and restated financial statements of above schemes are as below:-**

#### Statement of Profit and Loss

₹ in crore

Particulars	Year Ended March 31, 2022	
	Reported	Restated
Revenue from Operations	4,206.22	4,206.22
Profit Before Tax	621.73	471.73
Profit After Tax	297.56	147.56
Total Comprehensive Income	305.34	155.34

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 42 (contd.)

#### Balance Sheet

₹ in crore

Particulars	As at March 31, 2022	
	Reported	Restated
(i) Non-Current Assets	65,876.82	63,628.95
(ii) Current Assets	8,793.76	14,620.65
<b>Total Assets</b>	<b>74,670.58</b>	<b>78,249.60</b>
(i) Total Equity	26,582.26	30,011.28
(ii) Non-Current Liabilities	41,274.92	41,274.92
(iii) Current Liabilities	6,813.40	6,963.40
<b>Total Equity and Liabilities</b>	<b>74,670.58</b>	<b>78,249.60</b>

#### Statement of Cash Flow

₹ in crore

Particulars	Year Ended March 31, 2022	
	Reported	Restated
Profit before Tax	621.73	471.73
Net Cash generated from Operating Activities	3,012.05	3012.05
Net Cash used in Investing Activities	(8,803.19)	(8,803.19)
Net Cash generated from / (used in) Financing Activities	7308.44	7308.44

### 43 a) Following are the details of the funds loaned or invested by the Company to Intermediaries for further Loan or investment to the Ultimate beneficiaries for March 31, 2023

₹ in Crore

Name of the intermediary to which the funds are loaned or invested	Date on which funds are Loaned or invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte. Limited (Formerly known as Adani International Terminals Pte. Limited)	May 10, 2022	5.90	July 28, 2022	1.20	Adani Yangon International Terminal Company Limited
			August 22, 2022	1.19	
			September 7, 2022	0.01	
			September 12, 2022	0.11	
			September 14, 2022	0.28	
			September 19, 2022	0.55	
			September 22, 2022	0.01	
			September 23, 2022	1.84	
			November 7, 2022	0.71	

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

43 (contd.)

₹ in Crore

Name of the intermediary to which the funds are loaned or invested	Date on which funds are Loaned or invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte. Limited (Formerly known as Adani International Terminals Pte. Limited)	June 15, 2022	3.12	November 7, 2022	2.06	Adani Yangon International Terminal Company Limited
			November 9, 2022	1.06	
	November 4, 2022	36.58	November 9, 2022	4.20	
			November 14, 2022	5.40	
			November 17, 2022	5.58	
			November 23, 2022	5.39	
			December 1, 2022	5.48	
			January 25, 2023	0.19	
			January 26, 2023	3.63	
			January 26, 2023	2.56	
			January 26, 2023	1.46	
			February 1, 2023	0.02	
			February 1, 2023	0.13	
			February 6, 2023	0.07	
			February 23, 2023	0.82	
March 15, 2023	1.65				
Adani International Ports Holdings Pte. Limited	July 22, 2022	3.19	July 29, 2022	3.19	Colombo West International Terminal (Private) Limited
	August 5, 2022	35.58	August 8, 2022	35.58	
	November 15, 2022	18.67	November 17, 2022	18.67	

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 43 (contd.)

**Following are the details of the funds loaned or invested by the Company to Intermediaries for further Loan or investment to the Ultimate beneficiaries for March 31, 2022**

₹ in Crore

Name of the intermediary to which the funds are loaned or invested	Date on which funds are Loaned or invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte. Limited (Formerly known as Adani International Terminals Pte. Limited)	May 11, 2021	44.08	May 12, 2021	44.08	Adani Yangon International Terminal Company Limited
	July 06, 2021	37.28	July 07, 2021	37.28	
	August 17, 2021	18.58	August 20, 2021	18.58	
	September 27, 2021	10.70	September 27, 2021	10.70	
	October 18, 2021	15.07	October 21, 2021	2.26	
			October 26, 2021	12.81	
	November 15, 2021	29.00	November 17, 2021	29.00	
	November 22, 2021	44.66	November 24, 2021	44.66	
	January 25, 2022	88.97	January 27, 2022	46.35	
			February 03, 2022	7.48	
			February 07, 2022	1.50	
February 15, 2022			2.99		
March 4, 2022			25.42		
		March 28, 2022	5.23		
Adani International Ports Holdings Pte. Limited	February 28, 2022	114.59	March 4, 2022	115.35	Colombo West International Terminal (Private) Limited
	March 03, 2022	0.76			

#### Notes :

- In above figures, USD values are converted in rupee on date at which it was given.
- The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003)

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 43 (contd.)

#### Complete details of the Intermediary and Ultimate Beneficiary

Name of the entity	Registered Address	Relationship with the Company
Coastal International Terminals Pte. Limited (Formerly known as Adani International Terminals Pte. Limited)	3, Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary
Adani International Ports Holdings Pte. Limited	3, Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary
Adani Yangon International Terminal Company Limited	"Plot No. 23 G/4 , 23R/ 2A Ahlon Port Compound Ahlon Township, Yangon Myanmar"	Stepdown Subsidiary
Colombo West International Terminal (Private) Limited	117, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, Sri Lanka	Stepdown Subsidiary

- b) 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:
- 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 to or on behalf of the Ultimate Beneficiaries.

**44** Adani Vizhinjam Port Private Limited ("AVPPL"), a wholly owned subsidiary of the Company was awarded Concession Agreement ("CA") dated August 17, 2015 by Government of Kerala for development of Vizhinjam International Deepwater Multipurpose Seaport ("Project"). In terms of the CA, the scheduled Commercial Operation Date ("COD") of the Project was December 03, 2019 extendable to August 30, 2020 with certain conditions. As at reporting date, the Project development is still in progress although COD is past due in terms of CA. In respect of delay in COD, AVPPL has made several representations to Vizhinjam International Sea Port Limited ("VISL", the Implementing Agency on behalf of the Government) and Department of Ports, Government of Kerala in respect to difficulties faced by AVPPL including reasons attributable to the government authorities and Force Majeure events such as Ockhi Cyclone, High Waves, National Green Tribunal Order and COVID 19 pandemic etc. which led to delay in development of the project and AVPPL not achieving COD.

Considering the above reasons and authority's rights to terminate the CA on completion of extendable COD, AVPPL issued a Notice of Disputes to Secretary and Principle Secretary of Ports, Government of Kerala under Clause 45.1 of the CA on July 26, 2020 followed by a Notice of Conciliation on August 04, 2020 under Clause 45.2 of the CA. On November 07, 2020, AVPPL issued a Notice of Arbitration in terms of Clause 45.3 of the CA which led to commencement of the arbitration proceedings through appointment of the nominee arbitrator on behalf of the Authorities and presiding arbitrator in the matter w.e.f. February 05, 2021 and February 25, 2021 respectively.

As at March 31, 2023, resolution of disputes with the VISL/Government authorities and the arbitration proceedings are still in progress. The Government Authorities continue to have right to take certain adverse action including termination of the Concession Agreement and levying liquidated damages at a rate of 0.1% of the amount of performance security for each day of delay in project completion in terms of the CA.

The management represents that the project development is in progress with revised timelines which has to be agreed with the authorities. AVPPL's management represents that it is committed to develop the project and has tied up additional equity and debt funds to meet any additional costs on account of delay net of any arbitration receipts and also received extension in validity of the environmental clearance from the

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

### 44 (contd.)

Government for completion of the Project. Based on the above developments and on the basis of favorable legal opinion from the external legal counsel in respect of likely outcome of the arbitration proceedings, the management believes it is not likely to have significant financial impact on account of the disputes which are required to be considered for the purpose of these financial statements.

Pending settlement of arbitration dispute with the Government of Kerala and project development being still under progress, AVPPL will revise the Project Cost including revision in EDC cost on account of various force majeure events which delayed the achievement of COD as per the terms of the CA. AVPPL has also applied for Viability Gap Funding ("VGF" or "Equity Support Grant") claim of ₹1,227 Crore from the authority, as per the Article 25 of the CA and has received the final approval from DEA, Government of India on October 10, 2022.

AVPPL is expecting the signing of the Tripartite Agreement as per the VGF guidelines in the coming months which is a prerequisite for disbursement of VGF. Concessionaire has submitted the claim for completion of 30% of Funded works amounting to ₹346.75 crore which has been approved by Independent Engineer and Authority on February 09, 2023 and AVPPL is in receipt of part payment of ₹100 crore as on March 31, 2023 and the balance amount is expected to be received in the coming months.

Considering above, as at March 31, 2023, AVPPL has assessed the value in use of the Project based on the cost incurred till reporting date and additional cost including revision in EDC Cost which shall be incurred for completion of project. As per the assessment made by the management, the value in use of the Project continues to be positive with expected favorable settlement with the authorities and considering significant transshipment cargo business opportunity due to strategic location of the Project.

### 45 Based on information available with the Company, balances with Struck off Companies are as below:-

₹ in crore

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2023	Relationship with the struck off company, if any, to be disclosed
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
Transmarine Agencies India Private Limited	Deposit from Customer	0.02	Customer
Map Logistics Private Limited	Deposit from Customer	*	Customer
Kothari Intergroup Limited	NA	NA	Share Holder
RI's Advisory Private Limited	NA	NA	Share Holder
Pooja Shares And Management Services Private Limited	NA	NA	Share Holder
Kautilya Venture Capital Company Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in crore

₹ in Crore

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2022	Relationship with the struck off company, if any, to be disclosed
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
V I Furnishings Private Limited	Payable	0.02	Vendor
Cream Packs Private Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in crore

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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

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

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

### 47 Assets classified as held for sale

In line with guidance from the risk management committee, subsequent to the reporting date, the company divested its investment in container terminal under construction in Myanmar (held through an overseas subsidiary) to Solar Energy Limited, an unrelated party. Given the continued US Sanctions in Myanmar and urgency to divest the asset, the company re-evaluated the asset value on 'as is where is' basis through two independent valuers and the sale consideration was renegotiated between the parties. Company explored other potential buyers which did not fructify. Basis the sale agreement, the company has recorded an impairment of ₹1,558.16 crore factoring net realizable value less cost to complete and balance of ₹194.76 crore has been classified as held for sale.

**48** The company has been working with the contractor for its capital projects over a decade. The payment terms have been negotiated to secure contractor capacity, reduced cost / overruns and improved operational efficiency of the projects. The contractor has successfully delivered the projects without defaults and with highest operating credentials. The net balance outstanding on such contracts as on reporting date stood at ₹2,457.05 crore, which includes purchase contracts worth ₹1,501.50 crore and security deposits of ₹713.63 crore carrying interest @8% p.a. and other receivable of ₹241.92 crore. The security deposits approximate to about 20% of the cost of projects under execution. Of the security deposits, deposits for which projects are in progress amount ₹460 crore and the balance are for projects under engineering and design stage. The security deposits are refundable either on completion or termination of the project against which the said security deposit was given and in every instance the deposits were returned when due along with interest. The company has also obtained an independent opinion from a reputed law firm that the contractor is an unrelated party.

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

### 50 Statutory Information

(i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

- (ii) 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..

## 51 Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective.

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

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

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

## 52 Event occurred after the Balance Sheet Date

- i) On May 04, 2023, the Company has entered into Binding share purchase agreement with Solar Energy Limited for divestment of its investment in container terminal under construction in Myanmar (held through an overseas subsidiary)(refer note 47).
- ii) Pursuant to approval of the Finance Committee of the Board of Directors of the Company in its meeting held on April 22, 2023, the Company has completed the early settlement of Notes tendered pursuant to the Tender Offer to purchase for cash up to US\$130 million in aggregate principal amount of the outstanding 3.375% Senior Notes due in 2024 (the "Notes") on May 10, 2023. Subsequently, the Company has cancelled US\$130 million of the outstanding Notes.
- iii) The Board of Directors of the Company has recommended Equity dividend of ₹5 per equity share (previous year ₹5 per equity share).

### For and on behalf of the Board of Directors

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

**Kamlesh Bhagia**  
Company Secretary

**Rajesh S. Adani**  
Director  
DIN : 00006322

**D. Muthukumaran**  
Chief Financial Officer

Place : Ahmedabad  
Date : May 30, 2023

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Adani Ports and Special Economic Zone Limited**

## Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of Adani Ports and Special Economic Zone Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries and joint ventures referred to in the Other Matters section below, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Qualified Opinion

The Group has entered into Engineering, Procurement and Construction (EPC) purchase contracts substantially with a fellow subsidiary ("Contractor") of a party identified in the allegations made in the Short Seller Report. As at March 31, 2023, a net balance of ₹3,749.65 crore is recoverable from this contractor, of which ₹2,036.63 crore relate to security deposits paid to the contractor and ₹1,680.23 crore in respect

of capital advances. The security deposits carry an interest of approximately 8% per annum and are refundable by the Contractor either on completion or termination of the project against which the security deposit was given by the Group. Security deposits totalling ₹1,075.63 crore have been given prior to April 1, 2022, of which security deposits amounting to ₹253.63 crore relate to projects which have not commenced as at March 31, 2023. The Group has represented to us that the contractor is not a related party.

Additionally, there were financing transactions (including equity) with/by certain other parties identified in the allegations made in the Short Seller Report, which the Group has represented to us were not related parties. As at March 31, 2023, all receivable and payable amounts were settled including interest and there were no outstanding balances.

Subsequent to the year end, the Group re-negotiated the terms of sale of its container terminal under construction in Myanmar (held through a subsidiary audited by other auditors) with Solar Energy Limited, a company incorporated in Anguilla. The Group has represented to us that the buyer is not a related party. The carrying amount of the net assets (classified as held for sale) was ₹1,518.15 crore. The sale consideration was revised from ₹2,015 crore (USD 260 million) to ₹246.51 crore (USD 30 million), which has been received, and an impairment loss of ₹1,273.38 crore has been recognised as an expense in the consolidated Statement of Profit and Loss.

The Group has represented to us that there is no effect of the allegations made in the Short Seller Report on the consolidated financial statements based on their evaluation and after consideration of a memorandum prepared by an external law firm on the responses to the allegations in the Short Seller Report issued by the Adani group. The Group did not consider it necessary to have an independent external examination of these allegations because of their evaluation and the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India. The evaluation performed by the Group, as stated in Note 57 to the consolidated financial statements, does not constitute sufficient appropriate audit evidence for the purposes of our audit. In the absence of an independent external examination by the Group and pending completion of investigation, including

matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 57 to the consolidated financial Statement, by the Securities and Exchange Board of India of these allegations, and in respect of the sale of asset described in the immediately preceding paragraph, we are unable to comment whether these transactions or any other transactions may result in possible adjustments and/or disclosures in the consolidated financial statements in respect of related parties, and whether the Group should have complied with the applicable laws and regulations.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. Except for the matters described in the Basis for Qualified Opinion section above, we believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (b) of the Other Matters section below, is sufficient and

appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

### Emphasis of Matter

We draw attention to Note 46 of the consolidated financial statements, which describes the matter relating to delay in achievement of scheduled commercial operation date ("COD" i.e., December 03, 2019, as stipulated under the concession agreement) of the international deep-water multipurpose seaport being constructed by Adani Vizhinjam Port Private Limited ("AVPPL") at Vizhinjam, Kerala (the "Project"). The matter has been referred to arbitration proceedings by AVPPL to resolve disputes relating to force majeure events and failure of the Authority of the concession to fulfil its obligations under the concession agreement, which AVPPL contends, contributed to the delay in achieving COD.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Additionally, the matter below in respect of the Short Seller Report has been reported in the Basis for Qualified Opinion section of our report. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter Description	Auditor's Response
1	<p><b>Short Seller Report ("the Report") (Refer to Basis for Qualified Opinion section above)</b></p> <p>In January 2023, there was a Report containing allegations relating to the Adani group of companies. The Report alleged that transactions with certain parties named in the Report were not appropriately identified and reported as related parties, which were not in compliance with applicable laws and regulations.</p> <p>The Group had purchases, sale of services and financing transactions (including equity) with/by certain parties including those identified in the allegations made in the Report.</p>	<p><b>Principal audit procedures performed</b></p> <ul style="list-style-type: none"> <li>We inquired with the Group on their approach to assess these allegations to ascertain whether there is any effect on the consolidated financial statements</li> <li>We requested the Group to initiate an independent external examination of these allegations to determine whether these allegations may have any possible effect on the consolidated financial statements. The Group represented to us that these allegations have no effect on the consolidated financial statements, based on the evaluation it performed and because of the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India, did not consider it necessary to initiate an independent external examination</li> </ul>

Sr. No.	Key Audit Matter Description	Auditor's Response
	<p>The allegations in the Report are under investigation by the Securities and Exchange Board of India in accordance with the direction and monitoring of Hon'ble Supreme Court of India.</p>	<ul style="list-style-type: none"> <li>• We evaluated the assessment performed by the Group, as described in Note 57 to the consolidated financial statements and have read the memorandum prepared by an external law firm which the Parent considered in its assessment, to determine whether these allegations have any possible effect on the consolidated financial statements. The assessment by the Group did not constitute sufficient appropriate audit evidence for the purposes of our audit</li> <li>• In the absence of an independent external examination by the Group and because of insufficient appropriate audit evidence described immediately above, we have performed alternative audit procedures in respect of these allegations including consideration of information relating to the ownership and association of the parties identified in the Report to the extent publicly available. We also evaluated the design of the internal controls in respect of allegations made on the Group.</li> </ul>
2	<p><b>Hedge Accounting – Refer to Note 50 and 34.3 to the consolidated financial statements</b></p> <p>From the current financial year, the Group, in line with its updated Risk Management policy, has implemented Hedge Accounting, an accounting policy choice under Ind-AS, by designating the highly probable forecast revenues as hedge item and non-derivative foreign currency financial liabilities of equivalent amount as hedging instrument under Cash Flow Hedge relationship for hedging its foreign currency risk.</p> <p>Due to accounting judgements involved in applying the principles of hedge accounting and degree of subjectivity in evaluating a hedge to be effective, these transactions may have a significant financial effect on recognition of foreign exchange gain/losses and have extensive accounting and reporting obligations, accordingly this is considered as a key audit matter.</p>	<p><b>Principal audit procedures performed</b></p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the Group's overall hedging strategy and risk management policy with respect to hedging foreign exchange risks.</li> <li>• We evaluated the design and implementation of the processes and internal controls relating to hedge accounting, including the management's documentation of the hedge effectiveness. We also assessed the Group's accounting policy of hedge accounting in accordance with Ind AS.</li> <li>• We assessed the reasonability of management's estimates with respect to highly probable forecasted revenue considered as the hedged item.</li> <li>• We involved our internal specialists in the assessment of the appropriateness of the model used for evaluating hedge effectiveness and its relevant accounting.</li> <li>• We assessed the appropriateness of disclosures relating to hedge accounting in the consolidated financial statements.</li> </ul>

Sr. No.	Key Audit Matter Description	Auditor's Response
3	<p><b>Business Combinations — Gangavaram Port</b></p> <p><b>Refer to Note 39(i)(1) to the consolidated financial statements</b></p> <p>During the current financial year, the Group has acquired controlling stake of Gangavaram Port Limited for a consideration of ₹6,204.62 Crore through a scheme of merger approved in National Company Law Tribunal. The Group accounted for the acquisitions under the acquisition method of accounting for business combinations. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their fair values on the acquisition date.</p> <p>The determination of such fair values for the purpose of purchase price allocation was considered to be a key focus area of our audit as the allocation of the purchase consideration based on fair values of assets acquired and liabilities assumed involves judgments and estimates such as appropriateness of the valuation methodology applied and the discount rates applied to future cash flow forecasts.</p>	<p><b>Principal audit procedures performed</b></p> <ul style="list-style-type: none"> <li>We tested the design, implementation and operating effectiveness of internal controls over the allocation of purchase price to assets acquired and liabilities assumed.</li> <li>We evaluated the competencies, capabilities and objectivity of the independent valuers engaged by the Group's management for allocation of purchase price to identified tangible and intangible assets acquired and liabilities assumed.</li> <li>With the assistance of our fair value specialists, we evaluated (1) the appropriateness of the valuation methodologies for identified intangibles (2) reasonableness of the key valuation assumptions viz. discount rate / contributory asset charge, as applicable including testing of the source information underlying the determination of the discount rate, (3) testing the mathematical accuracy of the calculation, (4) developing a range of independent estimates and (5) comparing those to the discount rate selected by independent valuers and relied upon by the management.</li> <li>Assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements in compliance with the requirements of Ind AS 103: "Business Combinations".</li> </ul>

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint ventures, is traced from their financial statements audited by the other auditors.
- 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. As described in the Basis for Qualified Opinion section above, in the absence of an independent external examination by the Group and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 57 to the consolidated financial statements, by the Securities and Exchange Board of India of these allegations and in respect of sale of assets, we are unable to comment whether transactions stated in Basis for Qualified Opinion section above, or any other transactions may result in possible adjustments and/or disclosures in the consolidated financial statements in respect of related parties, and whether the Group should have complied with the relevant laws and regulations. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

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

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

In preparing the consolidated financial statements, the respective Management of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

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

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

- (b) We did not audit the financial statements of 85 subsidiaries, whose financial statements reflect total assets of ₹48,694.98 Crores as at March 31, 2023, total revenues of ₹4,382.67 Crores and net cash outflows amounting to ₹109.71 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹10.08 Crores for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 17 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based

on the report of other auditors and the conversion adjustments prepared by the management of the Parent and audited by us.

- (c) We did not audit the financial statements of 4 subsidiaries, whose financial statements reflect total assets of ₹0.16 Crores as at March 31, 2023, total revenues of ₹ Nil and net cash inflows amounting to ₹0.15 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹3.42 Crores for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 2 joint ventures, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and joint ventures referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We have sought and except for the matters described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) Except for the possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) The matter described in the Basis for Qualified Opinion section above, in our opinion, may have an adverse effect on the functioning of the Group.
  - f) On the basis of the written representations received from the directors of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of subsidiary companies, and joint venture companies incorporated in India, none of the directors of the Group companies and its joint venture companies incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g) The qualification relating to the maintenance of accounts and other matters connected therewith, are as stated in the Basis for Qualified Opinion section and in the paragraph (b) above.
  - h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, and joint venture companies incorporated in India. Our report expresses a qualified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies, for the reasons stated therein.
  - i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and joint venture companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies and joint venture companies to their directors during the year is in accordance with the provisions of section 197 of the Act.

- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures - Refer Note 36 to the consolidated financial statements;
  - ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 33 to the consolidated financial statements.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture companies incorporated in India.
  - iv) (a) The respective Managements of the Parent and its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the note 54 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and joint ventures 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the note 54 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

The Board of Directors of the Parent and its subsidiary, which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiary, at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

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

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following :-

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Adani Ports And Special Economic Zone Limited	L63090GJ1998PLC034182	Parent	Clause (iii)(b) ;(iii)(c); Clause (iv), Clause (xi)(a); (xi)(c), Clause (xiii)
The Adani Harbour Services Limited	U61100GJ2009FLC095953	Subsidiary	Clause (iii)(b), (iii)(c) ; Clause (iv), Clause (xi)(a); (xi)(c), Clause (xiii)
Adani Hazira Port Limited	U45209GJ2009PLC058789	Subsidiary	Clause (iii)(c); Clause (iv), Clause (xi)(a); (xi)(c), Clause (xiii)
Adani Murmugao Port Terminal Private Limited	U61100GJ2009PTC057727	Subsidiary	Clause (ix)(a)
Adani Kandla Bulk Terminal Private Limited	U63090GJ2012PTC069305	Subsidiary	Clause (ix)(a)
Savi Jana Sea Foods Private Limited	U24299TG1988PTC082278	Subsidiary	Clause (xvi)
The Dhamra Port Company Limited	U45205OR1998PLC005448	Subsidiary	Clause (iv), Clause (xi)(a); (xi)(c), Clause (xiii)
Marine Infrastructure Developer Private Limited	U74999TN2016PTC103769	Subsidiary	Clause (xi)(a); (xi)(c), Clause (xiii)
Adani Krishnapatnam Port Limited	U45203GJ1996PLC128239	Subsidiary	Clause(xi)(a); (xi)(c), Clause (xiii)
Adani Gangavaram Port Limited	U61100GJ2021PLC124091	Subsidiary	Clause(xi)(a); (xi)(c), Clause (xiii)

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Adani Petronet (Dahej) Port Limited	U63012GJ2003PLC041919	Subsidiary	Clause (xi)(c)
Adani Logistics Limited	U63090GJ2005PLC046419	Subsidiary	Clause (xi)(c)
Adani International Container Terminal Private Limited	U61200GJ2011PTC065095	Joint Venture	Clause (xi)(c)
Adani CMA Mundra Terminal Private Limited	U61200GJ2014PTC080300	Joint Venture	Clause (xi)(c)
Dhamra LNG Terminal Private Limited	U11200GJ2015PTC081996	Joint Venture	Clause(xi)(a);(xi)(c), Clause (xiii)
IndianOil Adani Ventures Limited	U23200MH1996PLC102222	Joint Venture	Clause (iii)(c)

In respect of the following companies included in the consolidated financial statements, whose audit under section 143 of the Act has not yet been completed, the CARO report as applicable in respect of those companies are not available and consequently have not been provided to us as on the date of this audit report:

Name of the company	CIN	Nature of relationship
HM Agri Logistics Limited	U52102GJ2023PLC138915	Wholly Owned Subsidiary
PU Agri Logistics Limited	U52102GJ2023PLC138863	Wholly Owned Subsidiary
BU Agri Logistics Limited	U52102GJ2023PLC139054	Wholly Owned Subsidiary
Dighi Roha Rail Limited	U74140DL2015PLC285745	Joint Venture

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Kartikeya Raval**  
(Partner)  
(Membership No. 106189)  
(UDIN: 23106189BGVORM4146)

Place: Ahmedabad  
Date: May 30, 2023

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

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

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

In conjunction with our audit of the consolidated financial statements of the Parent as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Adani Ports and Special Economic Zone Limited (hereinafter referred to as "Parent") and its subsidiary companies and joint ventures, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective companies 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Except for the matter described in the Basis for Qualified Opinion section below, we believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint ventures, which are companies incorporated in India.

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

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

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

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

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

### **Basis for Qualified opinion**

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

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

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

### **Qualified Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below except for the possible effects of the material weakness described in Basis for Qualified Opinion section above on the achievement of the objectives of the control criteria, the Parent and its subsidiary companies and joint ventures which are companies incorporated in India have, in all material respects, maintained adequate internal financial controls with reference to consolidated financial statements as of March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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, were operating effectively as of March 31, 2023.

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

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 71 subsidiary companies and 13 joint ventures, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

### **For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Kartikeya Raval**  
(Partner)

Place: Ahmedabad (Membership No. 106189)  
Date: May 30, 2023 (UDIN: 23106189BGVORM4146)

## Consolidated Balance Sheet as at March 31, 2023

₹ in Crore

Particulars	Notes	As at March 31, 2023	As at March 31, 2022*
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3 (a)	48,414.00	41,488.70
Right-of-Use Assets	3 (b)	3,541.90	2,772.25
Capital Work-in-Progress	3 (e)	6,814.03	4,022.90
Investment Properties	3 (f)	2,473.38	-
Goodwill	3 (d)	6,963.40	6,711.43
Other Intangible Assets	3 (c)	11,445.51	11,580.54
Investments accounted using Equity Method	4 (a)	2,498.38	1,189.85
<b>Financial Assets</b>			
Investments	4 (b)	1,059.47	1,923.10
Loans	6	1,582.15	87.00
Loans to Joint Venture Entities	6	6.70	484.41
Other Financial Assets			
- Bank Deposits having maturity over twelve months	11	1,552.97	3,072.08
- Other Financial Assets other than above	7	4,567.78	4,607.95
Deferred Tax Assets (net)	27	2,199.90	1,357.83
Other Non-Current Assets	8	4,338.04	2,299.36
		<b>97,457.61</b>	<b>81,597.40</b>
<b>Current Assets</b>			
Inventories	9	451.97	395.64
<b>Financial Assets</b>			
Investments	10	4,028.69	47.79
Trade Receivables	5	3,241.67	2,221.90
Customers' Bills Discounted	5	699.12	299.24
Cash and Cash Equivalents	11	931.99	8,653.02
Bank Balances other than Cash and Cash Equivalents	11	3,316.79	2,014.39
Loans	6	107.77	1,240.65
Loans to Joint Venture Entities	6	300.33	61.77
Other Financial Assets	7	1,263.85	525.45
Other Current Assets	8	1,164.08	730.09
		<b>15,506.26</b>	<b>16,189.94</b>
<b>Assets Held For Sale</b>	40	1,941.26	1,898.48
<b>Total Assets</b>		<b>1,14,905.13</b>	<b>99,685.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	432.03	422.47
Other Equity	13	45,151.55	41,565.75
Total Equity attributable to Equity holders of the parent		<b>45,583.58</b>	<b>41,988.22</b>
Non-Controlling Interests		1,338.51	392.77
<b>Total Equity</b>		<b>46,922.09</b>	<b>42,380.99</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	46,516.94	39,691.48
Lease Liabilities	15	2,681.74	1,983.78
Other Financial Liabilities	16	322.84	227.56
Provisions	20	1,201.75	34.23
Deferred Tax Liabilities (net)	27	3,186.37	3,010.86
Other Non-Current Liabilities	17	1,148.84	988.21
		<b>55,058.48</b>	<b>45,936.12</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	3,302.37	5,761.56
Customers' Bills Discounted	18	699.12	299.24
Lease Liabilities	15	61.97	32.16
Trade and Other Payables	19		
- total outstanding dues of micro enterprises and small enterprises		98.88	41.86
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,729.35	1,117.71
Other Financial Liabilities	16	2,620.76	1,954.51
Other Current Liabilities	17	1,814.19	1,654.87
Provisions	20	548.03	107.52
Current Tax Liabilities (net)	27	528.43	93.92
		<b>11,403.10</b>	<b>11,063.35</b>
<b>Liabilities associated with Assets classified as Held for Sale</b>	40	1,521.46	305.36
<b>Total Liabilities</b>		<b>67,983.04</b>	<b>57,304.83</b>
<b>Total Equity and Liabilities</b>		<b>1,14,905.13</b>	<b>99,685.82</b>

**\*Restated (refer note 39(i))**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For Deloitte Haskins & Sells LLP  
Chartered AccountantsKartikeya Raval  
Partner

For and on behalf of the Board of Directors

Gautam S. Adani  
Chairman and Managing Director  
DIN : 00006273Karan Adani  
Wholtime Director and CEO  
DIN: 03088095Kamlesh Bhagia  
Company SecretaryPlace : Ahmedabad  
Date : May 30, 2023Rajesh S. Adani  
Director  
DIN : 00006322D. Muthukumar  
Chief Financial OfficerPlace : Ahmedabad  
Date : May 30, 2023

## Consolidated Statement of Profit and Loss for the year ended March 31, 2023

₹ in Crore

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022*
<b>Income</b>			
Revenue from Operations	21	20,851.91	17,118.79
Other Income	22	1,553.48	2,223.72
<b>Total Income</b>		<b>22,405.39</b>	<b>19,342.51</b>
<b>Expenses</b>			
Operating Expenses	23	5,654.56	4,865.11
Employee Benefits Expense	24	1,178.17	779.43
Finance Costs	25		
Interest and Bank Charges		2,593.62	2,559.61
Derivative (Gain) (net)		(230.98)	(15.69)
Depreciation and Amortisation Expense	3	3,423.24	3,099.30
Foreign Exchange Loss (net)		1,886.32	872.07
Other Expenses	26	1,185.73	1,077.74
<b>Total Expenses</b>		<b>15,690.66</b>	<b>13,237.57</b>
<b>Profit before share of profit from joint ventures and associates, exceptional items and tax</b>		<b>6,714.73</b>	<b>6,104.94</b>
Share of profit from joint venture and associates (net)		47.78	17.39
<b>Profit before exceptional items and tax</b>		<b>6,762.51</b>	<b>6,122.33</b>
Exceptional items	8(c) & 40(ii)	(1,273.38)	(405.19)
<b>Profit before tax</b>		<b>5,489.13</b>	<b>5,717.14</b>
<b>Tax expense:</b>	27		
Current tax		977.90	888.20
Deferred tax		(881.52)	(124.24)
<b>Total tax expense</b>		<b>96.38</b>	<b>763.96</b>
<b>Profit for the Year</b>	(A)	<b>5,392.75</b>	<b>4,953.18</b>
<b>Attributable to:</b>			
Equity holders of the parent		5,310.18	4,886.03
Non-controlling interests		82.57	67.15
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
Re-measurement Gain/(Loss) on defined benefit plans		13.36	(4.10)
Income tax impact		(0.33)	1.35
		<b>13.03</b>	<b>(2.75)</b>
Net Gain/(Loss) on FVTOCI Investments	4(ii) & 10(i)	107.48	(3.62)
Income tax impact		(0.69)	(1.51)
		<b>106.79</b>	<b>(5.13)</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>			
Share in other comprehensive income of joint ventures and associates (net of tax)		20.77	33.99
Exchange difference on translation of foreign operations		(123.09)	(99.57)
		<b>(102.32)</b>	<b>(65.58)</b>
Effective portion of Loss on designated portion of cash flow hedge		(732.99)	-
Income tax impact		184.49	-
		<b>(548.50)</b>	<b>-</b>
<b>Total Other Comprehensive Income/(Loss) for the year (net of tax)</b>	(B)	<b>(531.00)</b>	<b>(73.46)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(536.61)	(75.07)
Non-controlling interests		5.61	1.61
<b>Total Comprehensive income for the year (net of tax)</b>	(A)+(B)	<b>4,861.75</b>	<b>4,879.72</b>
<b>Attributable to:</b>			
Equity holders of the parent		4,773.57	4,810.96
Non-controlling interests		88.18	68.76
Earnings per Share - (Face value of ₹2 each) Basic and Diluted (in ₹)	28	24.58	22.62

### \*Restated (refer note 39(i))

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

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

**Kartikeya Raval**  
 Partner

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

**Gautam S. Adani**  
 Chairman and Managing Director  
 DIN : 00006273

**Rajesh S. Adani**  
 Director  
 DIN : 00006322

**Karan Adani**  
 Wholtime Director and CEO  
 DIN: 03088095

**D. Muthukumar**  
 Chief Financial Officer

**Kamlesh Bhagia**  
 Company Secretary

Place : Ahmedabad  
 Date : May 30, 2023

Place : Ahmedabad  
 Date : May 30, 2023

## Consolidated Statement of Changes in Equity for the year ended March 31, 2023

₹ in Crore

Particulars	Attributable to equity holders of the parent												Total equity*			
	Equity share capital	Equity Component of Non Redeemable Preference shares	Share pending Issuance	Securities Premium	Capital Reserve	Debt Redemption Reserve	Other Equity			Other Comprehensive Income				Total	Non-controlling interests	
							Reserve & Surplus	Tonnage Tax Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve				Cash Flow Hedge Reserve
<b>Balance as at April 1, 2021</b>	406.35	166.53	-	599.56	5.95	556.69	1,015.88	7.84	2,765.97	24,875.68	34.16	(9.77)	183.42	30,608.26	1,464.93	32,073.19
Profit for the year	-	-	-	-	-	-	-	-	4,886.03	-	-	-	-	4,886.03	67.15	4,953.18
<b>Other Comprehensive Income</b>																
Re-measurement loss on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	(2.75)	-	-	-	-	(2.75)	-	(2.75)
Net Loss on FV/TOCI Investments (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	(4.69)	(4.69)	(0.44)	(5.13)
Share in other comprehensive income of joint venture (net of tax)	-	-	-	-	-	-	-	-	-	-	-	33.99	-	33.99	-	33.99
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	(101.62)	-	-	-	(101.62)	2.05	(99.57)
<b>Total Comprehensive Income/(Loss) for the year</b>	-	-	-	-	-	-	-	-	4,883.28	(101.62)	33.99	(4.69)	4,810.96	4,810.96	68.76	4,879.72
Dividend on shares	-	-	-	-	-	-	-	-	(1,020.88)	-	-	-	(1,020.88)	-	(5.85)	(1,020.88)
Dividend to Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5.85)	(5.85)
Transfer to General Reserve	-	-	-	-	-	(46.16)	-	-	46.16	-	-	-	-	-	-	-
Equity Shares pending issuance against Composite scheme of arrangement (refer note 39(i)(1))	-	-	3,605.26	-	-	-	-	-	-	-	-	-	-	3,605.26	-	3,605.26
Issue of equity shares (refer note 12(a)(ii))	2.00	-	-	798.00	-	-	-	-	-	-	-	-	-	800.00	-	800.00
Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note 12(a)(iii))	14.12	-	-	4,754.10	-	-	-	-	-	-	-	-	-	4,768.22	-	4,768.22
Adjustment on Acquisition of Non-controlling stake	-	-	-	-	-	-	-	-	(1,558.09)	-	-	-	-	(1,558.09)	(1,246.87)	(2,804.96)
Non-controlling interests adjustment on acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.55	2.55
Increase in share capital of Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109.25	109.25
Cost related to the acquisition of Non-controlling interests (refer note 39(i)(1))	-	-	-	-	-	-	-	-	(25.51)	-	-	-	-	(25.51)	-	(25.51)
Transfer to Debt Redemption Reserve	-	-	-	-	-	122.21	-	-	(122.21)	-	-	-	-	-	-	-
Transfer from/to Tonnage Tax Reserve	-	-	-	-	-	-	(24.75)	-	24.75	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	422.47	166.53	3,605.26	6,151.66	5.95	632.74	991.13	7.84	2,812.13	27,057.02	(67.46)	24.22	178.73	41,988.22	392.77	42,380.99

\*Restated (refer note 39(i))

# Consolidated Statement of Changes in Equity for the year ended March 31, 2023

₹ in Crore

Particulars	Attributable to equity holders of the parent											Non-controlling interests	Total equity				
	Equity share capital	Equity Component of Non Cumulative Redeemable Preference shares	Share pending Issuance	Securities Premium	Capital Reserve	Debtenture Redemption Reserve	Reserve & Surplus Tax Reserve	Other Equity			Retained Earnings			Other Comprehensive Income			Total
								Reserve	Redemption Reserve	General Reserve				Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Income through OCI	
<b>Balance as at April 01, 2022</b>	422.47	166.53	3,605.26	6,151.66	5.95	632.74	991.13	7.84	2,812.13	27,057.02	(67.46)	24.22	178.73	41,988.22	392.77	42,380.99	
Profit for the year	-	-	-	-	-	-	-	-	-	5,310.18	-	-	-	5,310.18	82.57	5,392.75	
Re-measurement gains on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	-	13.03	-	-	-	13.03	-	13.03	
Net Gain/(Loss) on FVTOCI Investments (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	107.10	107.10	(0.31)	106.79	
Effective portion of Loss on designated portion of cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	-	-	(548.50)	-	(548.50)	-	(548.50)	
Share in other comprehensive income of joint venture (net of tax)	-	-	-	-	-	-	-	-	-	-	-	20.77	-	20.77	-	20.77	
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	(129.01)	-	-	-	(129.01)	5.92	(123.09)	
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	-	<b>5,323.21</b>	<b>(129.01)</b>	<b>(527.73)</b>	<b>107.10</b>	<b>4,773.57</b>	<b>88.18</b>	<b>4,861.75</b>	
Dividend on shares	-	-	-	-	-	-	-	-	-	(1,056.19)	-	-	-	(1,056.19)	-	(1,056.19)	
Dividend to Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(37.16)	(37.16)	
Transfer to General Reserve	-	-	-	-	-	(41.17)	-	-	-	41.17	-	-	-	-	-	-	
Adjustment on Acquisition of Non-controlling stake	-	-	-	-	-	-	-	-	-	-	-	-	-	3.50	(28.63)	(25.13)	
Non-controlling interests adjustment on Acquisition (refer note 39(i))	-	-	-	-	95.41	-	-	-	-	-	-	-	-	95.41	836.96	932.37	
Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note 12(a)(iii) & 39(i)(1))	9.56	(3,605.26)	-	3,595.70	-	-	-	-	-	-	-	-	-	-	-	-	
Increase in share capital of Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(220.93)	86.39	86.39	
Consideration paid for acquisition of Non-controlling interests and other adjustment*	-	-	-	-	-	-	-	-	-	(220.93)	-	-	-	(220.93)	-	(220.93)	
Transfer to Debenture Redemption Reserve	-	-	-	-	-	109.88	-	-	-	(109.88)	-	-	-	-	-	-	
Transfer from/to Tonnage Tax Reserve	-	-	-	-	-	-	272.22	-	-	(272.22)	-	-	-	-	-	-	
<b>Balance as at March 31, 2023</b>	<b>432.03</b>	<b>166.53</b>	-	<b>9,747.36</b>	<b>101.36</b>	<b>701.45</b>	<b>1,263.35</b>	<b>7.84</b>	<b>2,853.30</b>	<b>30,724.51</b>	<b>(196.47)</b>	<b>(503.51)</b>	<b>285.83</b>	<b>45,583.58</b>	<b>1,338.51</b>	<b>46,922.09</b>	

\* In earlier year, the Group has paid amount towards non-compete fees for acquiring geographical exclusivity for the term of five years. As per the provision of Accounting Standards, the Group has reassessed the accounting treatment being transaction linked with acquisition of the remaining stake from Non-controlling interest. Accordingly, unamortised amount of ₹220.46 crore has been adjusted from Intangible Assets to Retained Earnings during the year ended March 31, 2023.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

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

**Kartikeya Raval**  
Partner

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Karan Adani**  
Wholetime Director and CEO  
DIN : 03088095

**D. Muthukumar**  
Chief Financial Officer

**Kamlesh Bhagia**  
Company Secretary

Place : Ahmedabad  
Date : May 30, 2023

Place : Ahmedabad  
Date : May 30, 2023

## Consolidated Statement of Cash Flows for the year ended March 31, 2023

₹ in Crore

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022*
<b>A Cash Flows from Operating Activities</b>		
<b>Profit before Tax</b>	5,489.13	5,717.14
Adjustments for :		
Share of profit from Joint Ventures and Associates	(47.78)	(17.39)
Depreciation and Amortisation Expense	3,423.24	3,099.30
Unclaimed Liabilities / Excess Provision Written Back	(20.85)	(20.47)
Cost of Assets transferred under Finance Lease	8.38	8.62
Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(69.57)	(65.63)
Financial Guarantees Income	(6.53)	(4.38)
Amortisation of Government Grant	(16.34)	(14.23)
Finance Costs	2,593.62	2,559.61
Effect of Exchange Rate Change	2,527.76	917.91
Derivative Gain (net)	(230.98)	(15.69)
(Gain)/Loss on fair valuation of Financial Instruments	(7.49)	12.53
Interest Income	(1,246.28)	(1,940.71)
Dividend Income	(0.35)	(4.01)
Net Gain on Sale of Current Investments	(20.71)	(5.41)
Exceptional Items (refer note 8(c) & 40(ii))	1,273.38	405.19
Investment accounted using Equity Method	1.00	41.25
Gain on loss of control of subsidiaries	-	(59.23)
Diminution in value of Inventories	30.77	1.83
Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
(Gain)/Loss on Sale / Discard of Property, Plant and Equipment (net)	(60.32)	3.52
<b>Operating Profit before Working Capital Changes</b>	<b>13,621.80</b>	<b>10,621.47</b>
Adjustments for :		
(Increase)/Decrease in Trade Receivables	(787.07)	230.18
(Increase)/Decrease in Inventories	(66.66)	605.43
Increase in Financial Assets	(325.52)	(89.15)
(Increase)/Decrease in Other Assets	(205.51)	215.77
(Decrease)/Increase in Provisions	(167.97)	10.47
Increase in Trade and other Payables	249.96	109.74
Increase/(Decrease) in Financial Liabilities	210.67	(9.50)
Increase/(Decrease) in Other Liabilities	237.48	(314.55)
<b>Cash Generated from Operations</b>	<b>12,767.18</b>	<b>11,379.86</b>
Direct Taxes paid (Net of Refunds)	(833.93)	(959.72)
<b>Net Cash generated from Operating Activities</b>	<b>11,933.25</b>	<b>10,420.14</b>
<b>B Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	(9,124.78)	(3,813.70)
Proceeds from Assets considered as held for sale (refer note 40(iii))	-	155.00
Proceeds from Sale of Property, Plant and Equipment	203.79	12.91
Deposit given against Capital Commitments	(961.00)	(847.00)
Refund of Deposit given against Capital Commitments	1,510.00	1,464.22
Payment for acquisition of subsidiaries	(13,222.17)	(21.10)
Equity Investment in Joint Venture entities/Associates	(1,206.90)	-
Proceeds from Sale of Investment	-	1.81
Investment in Debentures	(256.00)	-
Investment in Preference share of Joint Venture entities	-	(634.47)
Proceeds from loss of control of subsidiary	-	116.27
Loans / Inter Corporate Deposits (ICDs) given (refer foot-note 3)	(19,975.68)	(40,655.69)
Loans / Inter Corporate Deposits (ICDs) received back (refer foot-note 3)	21,365.98	41,066.75
Proceeds from/(Deposit in) Fixed Deposits (net) including Margin Money Deposits	607.70	(3,790.49)

## Consolidated Statement of Cash Flows for the year ended March 31, 2023

₹ in Crore

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022*
Investment in Financial Instruments (net)	(64.64)	(446.00)
Proceeds from Sale of Investments in Mutual Fund (net)	58.75	286.35
Dividend Received	0.35	4.01
Interest Received	1,461.00	1,819.31
<b>Net Cash used in Investing Activities</b>	<b>(19,603.60)</b>	<b>(5,281.82)</b>
<b>C Cash Flows from Financing Activities</b>		
Proceeds from Non-Current Borrowings	7,445.87	7,244.31
Repayment of Non-Current Borrowings	(1,710.69)	(2,293.10)
(Repayment of)/ Proceeds from Current Borrowings (net)	(5,389.83)	2,576.38
Payment for acquisition of non-controlling stake	(25.02)	(5,426.88)
Proceeds from Issue of Equity Shares	-	800.00
Proceeds from Issue of Equity Shares to Non-Controlling Interest	945.50	109.25
Interest & Finance Charges Paid	(2,371.00)	(2,550.51)
Repayment of Lease Liabilities	(53.01)	(61.70)
(Loss)/Gain on settlement of Derivative Contracts (net)	(482.71)	43.13
Payment of Dividend on Equity and Preference Shares	(1,092.91)	(1,026.65)
<b>Net Cash used in Financing Activities</b>	<b>(2,733.80)</b>	<b>(585.77)</b>
<b>D Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(10,404.15)</b>	<b>4,552.55</b>
<b>E Cash and Cash Equivalents at the Beginning of the year (refer note 11)</b>	<b>8,676.05</b>	<b>4,334.81</b>
<b>F Cash and Cash Equivalents on acquisition of subsidiaries (refer note 39)</b>	<b>2,878.31</b>	<b>22.14</b>
<b>G Reduction in Cash and Cash Equivalents on account of loss of control of subsidiaries</b>	<b>-</b>	<b>(56.00)</b>
<b>H Net movement relating to Assets Classified as held for sale</b>	<b>(213.51)</b>	<b>(177.45)</b>
<b>I Cash and Cash Equivalents at the End of the year (refer note 11)</b>	<b>936.70</b>	<b>8,676.05</b>

\*Restated (refer note 39(i))

Summary of significant accounting policies refer note 2.3

Notes:

- The Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 - Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) 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 16(a).
- During the year, the Group has given loans/Inter Corporate Deposits (Loans and ICDs) with contractual maturity of less than twelve months amounting to ₹19,966.48 crore, where repayments have been guaranteed by a related party. Loan and ICDs of ₹21,089.06 crore have been recovered along with interest during the year.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

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

**Kartikeya Raval**  
Partner

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

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

**D. Muthukumar**  
Chief Financial Officer

**Kamlesh Bhagia**  
Company Secretary

Place : Ahmedabad  
Date : May 30, 2023

Place : Ahmedabad  
Date : May 30, 2023

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## 1 Corporate information

The Consolidated financial statements comprise financial statements of Adani Ports and Special Economic Zone Limited ("the Company" or "APSEZL") (CIN : L63090GJ1998PLC034182), subsidiaries, joint venture entities and associates (collectively, the "Group") for the year ended March 31, 2023. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat, India - 382421.

The Group has port infrastructure facilities developed/acquired at Mundra, Kandla, Hazira, Dahej, Dhamra, Vizag, Murmugao, Kattupalli, Ennore, Krishnapatnam, Dighi, Gangavaram and Haifa locations operating under respective Concession/Sub Concession Agreements. Apart from other businesses, the Group is also developing Port Infrastructure at Vizhinjam and Colombo.

The Company is in the business of development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Port at Mundra. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional port terminals and south port terminal infrastructure facilities which are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years period effective from February 17, 2001. At Mundra, the Company has expanded port infrastructure facilities at West Basin through GoG approval for which the concession period will be effective till the year 2040, primarily to handle coal cargo. The said supplementary concession agreement is in the process of getting signed with GoG and GMB although Coal terminal at Wandh is recognised as commercially operational w.e.f. February 01, 2011.

The first Container Terminal facility (CT-1) developed at Mundra, was transferred under a Sub-Concession Agreement entered on January 7, 2003 between Mundra International Container Terminal Limited (MICTL) and the Company in line with the Concession Agreement, wherein

the ownership of the asset (CT 1) was transferred by the Company to the MICTL. MICTL was given rights to handle container cargo at the CT 1 Terminal for a period that was co-terminus with the Concession Agreement of Mundra Port, i.e. till February 16, 2031. The container terminal facilities developed at South Port location include CT-3, for development of which the Company had entered into an agreement with the Adani International Container Terminal Private Limited (AICTPL), a 50:50 Joint Venture between the Company and Mundi Limited (subsidiary of (Mediterranean Shipping Company) MSC shipping line). AICTPL is a sub-concessionaire as per the arrangement and the ownership of the CT 3 Terminal is transferred to AICTPL in line with the Sub-Concession Agreement dated October 17, 2011. The period of the said Sub-Concession Agreement is also co-terminus with the Concession Agreement of Mundra Port, and during the said period AICTPL can handle container cargo at CT 3 terminal. In the financial year 2017-18, Sub-Concession Agreement was entered into for the extension of CT 3 Terminal. This terminal, an extension of CT 3 was developed and ownership of the same was also transferred to AICTPL in line with the above. Operations commenced at CT 3 Extension w.e.f. November 01, 2017.

As part of South Port, the third Container Terminal is CT 4, the ownership of this terminal is also transferred after development to a sub-concessionaire in line with the Mundra Concession Agreement; who in this case is Adani CMA Mundra Terminal Private Limited (ACMTPL), a 50:50 Joint Venture between the Company and CMA Terminals, France (joint venture agreement dated July 30, 2014). The company has already obtained sub-concessionaire approval from GMB/GoG for container terminals that are developed and operated under sub-concession route. However, The Sub-Concession Agreements for Terminals of CT 3, CT 3 Extension and CT 4 are to be approved by GOG for the final signing between parties and GMB as confirming party.

The Multi Product Special Economic Zone developed at Mundra by the Company along with port infrastructure facilities is approved by the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 and subsequently amended from time to time till date. The Company has also set up Free Trade and Warehousing Zone at Mundra based on approval of Ministry of Commerce and Industry vide letter no.F.1/16/2011-SEZ dated January 04, 2012. The

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Company has also set up additional Multi Product Special Economic Zone at Mundra Taluka over an area of 1,856 hectares as per approval from Ministry of Commerce and Industry vide approval letter dated April 24, 2015. The Company has received single notification consolidating all three notified SEZ in Mundra vide letter dated March 15, 2016 of Ministry of Commerce and Industry, Department of Commerce (SEZ Section).

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2023.

Major Entities and their nature of operations are as follows:

- 1) Adani Logistics Limited ("ALL"), a 100% subsidiary of APSEZL, has developed multi-model cargo storage-cum-logistics services through development of Inland Container Depots (ICDs) and Container Freight Stations (CFSs) at various strategic locations and operates container trains on specific railway routes as per concession agreement entered into with Ministry of Railways, Government of India.
- 2) Mundra SEZ Textile and Apparel Park Private Limited ("MITAP"), a 49.88% subsidiary of APSEZL and 5.40% investment held through ALL (a 100% subsidiary of APSEZL), has set up an integrated textile park under the scheme of Ministry of Textiles, Government of India in Special Economic Zone at Mundra, Kutch district, Gujarat.
- 3) Karnavati Aviation Private Limited ("KAPL"), a 100% subsidiary of APSEZL, is engaged in providing non scheduled (passenger) airline services through its aircrafts.
- 4) Adani Petronet (Dahej) Port Limited ("APDPL") (Formerly known as Adani Petronet (Dahej) Port Private Limited), a 74% subsidiary of APSEZL, has developed a Solid Cargo Port Terminal and related port infrastructure facilities of bulk cargo at Dahej, Gujarat.
- 5) Adani Murmugao Port Terminal Private Limited ("AMPTPL"), a 100% subsidiary of APSEZL, has developed port infrastructure facilities i.e. coal handling terminal at Murmugao, Goa.
- 6) Mundra International Airport Private Limited ("MIAPL"), a 100% subsidiary of APSEZL, has a plan to set up air cargo operations at Kawai, Rajasthan.
- 7) Adani Hazira Port Limited ("AHPL") (Formerly known as Adani Hazira Port Private Limited), a 100% subsidiary of APSEZL, has developed multi – cargo terminal and related infrastructure at Hazira - Surat (Gujarat). The further expansion of port facilities is under development.
- 8) Adani Vizag Coal Terminal Private Limited ("AVCTPL") is a 100% subsidiary of APSEZL. The Company has developed Port infrastructure facilities at East Quay for handling steam coal at Visakhapatnam Port. (refer note 40 (iii))
- 9) Adani Kandla Bulk Terminal Private Limited ("AKBTPL") is a 100% subsidiary of APSEZL. The Company has developed a Dry Bulk terminal off Tekra near Tuna outside Kandla creek at Kandla Port.
- 10) Adani Warehousing Services Private Limited ("AWSPL") is a 100% subsidiary of APSEZL. The Company is formed to provide warehousing / storage facilities and other related services.
- 11) Adani Ennore Container Terminal Private Limited ("AECTPL") is a 100% subsidiary of APSEZL. The Company has developed container terminal and other related infrastructure at Ennore Port.
- 12) Adani Hospitals Mundra Private Limited ("AHMPL") is a 100% subsidiary of APSEZL. The Company provides hospital and related services at Mundra.
- 13) The Dhamra Port Company Limited ("DPCL"), is a 100% subsidiary of APSEZL and is operating bulk cargo port infrastructure facilities at Dhamra in the state of Odisha.
- 14) Shanti Sagar International Dredging Limited ("SSIDL") (Formerly known as Shanti Sagar International Dredging Private Limited) is a 100% subsidiary of APSEZL. The Company is providing dredging services.
- 15) The Adani Harbour Services Limited ("TAHSL") (Formerly known as The Adani Harbour Services Private Limited) is a 100% subsidiary of APSEZL. The principal activity of TAHSL is to own and operate harbour tugs, barges, other port crafts, ocean towage and offshore support vessels and to provide marine services like pilotage, laying and maintenance of buoys including SBMs, mooring of vessels at berth and mid-stream.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

- 16) Adani Vizhinjam Port Private Limited ("AVPPL") is a 100% subsidiary of APSEZL and is engaged in developing container terminal port and other related infrastructure at Vizhinjam.
- 17) Adani Kattupalli Port Limited ("AKPL") (Formerly known as Adani Kattupalli Port Private Limited) is a 100% subsidiary of APSEZL and is engaged in the business of Container Freight Station at Kattupalli Port, Tamil Nadu.
- 18) Abbot Point Operations Pty Limited ("APO") is a 100% subsidiary of APSEZL and is engaged in the business of Operation and Maintenance (O&M) service to port.
- 19) Marine Infrastructure Developer Private Limited ("MIDPL") is subsidiary of APSEZL with 97% equity stake and is engaged in the business of Port Operations at Kattupalli Port.
- 20) Adani Yangon International Terminal Company Limited ("AYITCL") is a 100% subsidiary of Adani International Terminals Pte Limited (a subsidiary company) and is engaged in developing port infrastructure at Myanmar. (refer note 40(ii))
- 21) Adani Agri Logistics Limited is wholly owned subsidiaries of Adani Logistics Limited (the subsidiary company of APSEZL) and is engaged in the business of Logistics Operations.
- 22) Adani Logistics Services Private Limited is subsidiary of Adani Logistics Limited (the subsidiary company of APSEZL) with 98.40% equity stake and is engaged in the business of Logistics Operations.
- 23) Adani Bangladesh Ports Private Limited ("ABPPL") is a 100% subsidiary of APSEZL and is engaged in the business of dredging, port and land development activities.
- 24) Adani Krishnapatnam Port Limited ("AKPL") (Formerly known as Krishnapatnam Port Company Limited) is a 100% subsidiary of APSEZL and is engaged in the business of Port Operations.
- 25) Dighi Port Limited ("DPL") is a 100% subsidiary of APSEZL and is engaged in the business of Port Operations.
- 26) Adani Tracks Management Services Limited (Formerly known as Sarguja Rail Corridor Private Limited) is a 100% subsidiary of APSEZL and is engaged in development, construction, operation and maintenance of railway corridor.
- 27) APSEZL has acquired 98.52% equity shares of Ocean Sparkle Limited ("OSL") on May 10, 2022 and the principal activity of OSL is to own and operate harbour tugs, barges, other port crafts, ocean towage and offshore support vessels and to provide marine services like pilotage, mooring of vessels at berth and mid-stream.
- 28) Pursuant to the NCLT's approval of capital reduction scheme filed by Mundra LPG Terminal Private Limited ("MLTPL") the Group has obtained equity stake of 48.97% w.e.f February 24, 2022. During the current year, subsequent to the further investment in equity instrument, the Group has obtained management and operational control of MLTPL.
- 29) Adani Gangavaram Port Limited (Formerly known as Adani Gangavaram Port Private Limited) is wholly owned subsidiary of APSEZL and is engaged in the business of Port Operations.
- 30) APSEZL has incorporated Mediterranean International Ports A.D.G.D. Limited ("MIPAL") with 70% equity stake on November 13, 2022 and is engaged in the business of Port Operations.
- 31) APSEZL through subsidiary entity Mediterranean International Ports A.D.G.D. Limited ("MIPAL") has acquired 100% equity shares of Haifa Port Company Limited ("HPCL") on January 10, 2023 and is engaged in the business of Port Operations.
- 32) APSEZL has acquired 100% equity shares of Karaikal Port Private Limited on March 31, 2023 and is engaged in the business of Port Operations. (refer note 52)

## 2 Basis of preparation

**2.1** The consolidated financials statements of the Group have 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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

in accounting policy as mentioned in note 2.3 (z) hitherto in use.

The consolidated financial statements have been prepared on a historical 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 consolidated financial statements are presented in Indian Rupees (₹) in Crore and all values are rounded off to two decimal (₹00,00,000), except when otherwise indicated.

## 2.2 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company, subsidiaries, joint venture entities and associates as at March 31, 2023. The Group controls an investee if and only if the Group has:-

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure or rights, to variable returns from its involvement with the investee and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate

that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

### Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.3 Summary of significant accounting policies

#### a) Investment in associates and joint venture entities

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but do not have control or joint control over those policies.

A joint venture entity is a type of joint arrangement whereby the parties have joint control of the arrangement and have rights to the net assets of the joint venture. Joint control is a contractually agreed sharing of control of an

arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control, are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture entities are accounted for using the equity method. Under the equity method, the investment in an associate or joint venture entities is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture/associates since the acquisition date.

Transaction costs that the Group incurs in connection with Investment in Joint Ventures/associates are added to the cost of Investments.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture and associate entities. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture entities, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture entities are eliminated to the extent of the interest in the joint venture entities.

If an entity's share of losses of a joint venture/associate equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of joint venture entities is shown on the face of the consolidated statement of profit and loss.

The financial statements of the joint venture entities are prepared for the same reporting period

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture entities. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture entities are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture entities and its carrying value, and then recognises the loss as 'Share of profit of joint venture entities' in the consolidated statement of profit and loss.

Upon loss of significant influence over associate entity/joint control over the joint venture entities, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of Investment in the associate entity / joint venture entities upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the statement of profit and loss.

## b) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realised within twelve months after the reporting period; or
- Cash 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 classified as 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 Group classifies all other liabilities as non-current.

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

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

## c) Foreign currency transactions :

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. However, for practical reasons, the Group entities use an average rate if the average approximates the actual rate at the date of transaction. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

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.

### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates

## Notes to the Consolidated Financial Statements

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of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI and parked in separate component of Other equity called "Foreign Currency Translation Reserve" (FCTR). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in statement of profit and loss.

### d) Fair value measurement

The Group 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 Group.

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 best economic interest.

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group 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 Group'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 and for non recurring fair value measurement, such as an assets under the scheme of business undertaking.

External valuers are involved for valuation of significant assets such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities. Involvement of external valuers is decided upon annually by the Management and in specific cases after discussion with and approval by the respective company's Audit Committee. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group'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 Group'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 Group's external valuers, also compares the change in the fair value of each asset and liability with relevant

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group 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 2.4 and 34.2)
- Quantitative disclosures of fair value measurement hierarchy (refer note 34.2)
- Investment in unquoted equity shares (refer note 4 and 10)
- Financial instruments (including those carried at amortised cost) (refer note 34.1)

## e) Revenue recognition

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 Group expects to be entitled in exchange for those goods or services.

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

### Port operation and logistics services

Revenue from port operation services including cargo handling, storage, rail infrastructure, other ancillary port services and logistics services are recognised in the accounting period in which the services are transferred to the customer at an amount that reflects the consideration to which the Group 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 Group is net of variable consideration on account of various discounts offered by the Group as part of the contract.

Revenue on take-or-pay charges are recognised for the quantity that is the difference between annual agreed tonnage and actual quantity

of cargo handled. The amount recognised as revenue is exclusive of goods and services tax wherever applicable.

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

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

### Construction and Development of Infrastructure Assets

The Company's business operations includes 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 recognised 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.

### Non scheduled aircraft services

Revenue from chartered services is recognised when the service is performed under contractual obligations.

### Utilities Services

Revenue is recognised as and when the service performed under contractual obligations and the right to receive such income is established. Delayed payment charges are accounted as and when received.

### Income from SEIS

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

### Revenue recognition from Service Concession arrangements in Agri Logistics Business

Service Concession arrangements revenue relating to construction contracts which are entered into with Government Authorities for the construction of infrastructure necessary for the provision of services are measured at the fair

## Notes to the Consolidated Financial Statements

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value of the consideration received or receivables. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

Once the infrastructure is in operation, the treatment of income is as follows:

Finance income over financial asset after consideration of fixed storage charges is recognised using effective interest rate method. Variable storage charges revenue is recognised in the period of storage of food grains. Revenues from other variable charges such as loading and unloading charges, bagging charges, stacking charges, etc. as per the rates mentioned in SCA are recognised in each period as and when services are rendered in accordance with "Ind AS 115 - Revenue from Contracts with Customers".

### Interest income

For all financial assets measured either at amortised 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 amortised cost of a financial liability. When calculating the effective interest rate, the Group 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 other income in the consolidated statement of profit and loss.

### Dividends

Dividend Income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### f) Government grants

Government grants are recognised 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 recognised 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 recognised either as a income in equal amounts over the expected useful life of the related asset

or by deducting from the carrying amount of the asset.

### Royalty on Cargo

Waterfront royalty under the various concession/sub concession agreement is paid at concessional rate in terms of rate prescribed by Gujarat Maritime Board (GMB) and notified in official gazette of various state Government authorities, wherever applicable.

### g) Taxes

Tax expense comprises of current income tax and deferred tax.

#### Current income tax

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

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

#### Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of 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,

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

associates and interests in joint venture entities, deferred tax is not recognised 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that 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 venture entities, 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.

Some of the subsidiaries and joint venture entities of the Company are also eligible for tax deductions available under section 80IA of the Income Tax Act, 1961 for a period of 10 years out of eligible period of 15 years. In view of some of the subsidiaries and joint venture entities availing tax deduction under Section 80IA of the Income Tax Act, 1961, deferred tax has been recognised in respect of temporary difference, which reverse after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognised in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originate first are considered to reverse first.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group recognises 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 Group 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 Group recognises tax credits as an asset, the said asset is created by way of tax credit to the consolidated statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent the Group 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.

### **h) 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

## Notes to the Consolidated Financial Statements

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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 Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in consolidated statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of respective asset if recognition criteria for the provision are met.

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

Borrowing cost relating to acquisition / construction of Property, Plant and Equipments 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 and assessment made by expert. The identified component of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Assets	Estimated Useful life
Leasehold Land Development	Over the balance period of Concession Agreement and approved Supplementary Concession Agreement by Gujarat Maritime Board, other major port trust authorities, State Government authorities etc. as applicable
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement in case of terminals entitlement to Depreciated Replacement Value. In other cases over the balance period of concession agreement as applicable
Dredging Pipes - Plant and Equipment	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Equipment	4 Years and 10 Years respectively
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Equipment	6 Years
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Drains & Culverts	25 Years as per concession agreement
Carpeted Roads – Other than RCC	10 Years
Non Carpeted Roads – Other than RCC	3 Years
Tugs	20 Years

An item of property, plant and equipment covered under Concession agreement, sub-concession agreement and supplementary concession agreement, shall be transferred to and shall vest in Grantor (government authorities) at the end of respective concession agreement. In cases, where the Group is expected to receive consideration of residual value of property from grantor at the

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

end of concession period, the residual value of contracted property is considered as the carrying value at the end of concession period based on depreciation rates as per management estimate/Schedule II of the Companies Act, 2013 and in other cases it is Nil. For the ports operating in Gujarat, all contracted immovable and movable assets shall be transferred to and shall vest in Gujarat Maritime Board ('GMB') for consideration equivalent to the Depreciated Replacement Value (the 'DRV'). Currently DRV is not determinable, accordingly, residual value of contract asset is considered to be the carrying value based on depreciation rates as per management estimate/Schedule II of the Companies Act, 2013 at the end of concession period.

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

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

### i) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value on the date of acquisition. 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 either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for

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

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

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

A summary of the policies applied to the Group'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
License Fees paid to Ministry of Railway (MOR) for approval for movement of Container Trains	on straight line basis	Over the license period of 20 years
Right to Use of Land	on straight line basis	Over the period of agreement between 10-20 years

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Intangible Assets	Method of Amortisation	Estimated Useful life
Right of use to develop and operate the port facilities including rights arising from service concession arrangement	on straight line basis	Over the balance period of Sub-Concession Agreement
Railway License	on straight line basis	20 to 35 Years based on validity of license
Customer Contact	on straight line basis	As per relevant Agreement
Customer Relationship	on straight line basis	As per relevant Agreement
Non-Compete Agreement	on straight line basis	As per relevant Agreement

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

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

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with Appendix C of Ind AS 115 'Service Concession Arrangements'. These assets are amortised based on the lower of their useful lives or concession period.

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

The period of port concession arrangements are of 30 years.

### Service Concession Arrangements ("SCA") in respect of Agri Logistics Business

Certain companies in the Group have entered into service concession agreement with Food Corporation of India (FCI) which is an arrangement between the "grantor" (a public sector entity/ authority) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilising private-sector funds and expertise.

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA.

When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, the Group recognises the consideration for construction services at its fair value as a financial asset and is classified as "financial asset under service concession arrangements".

When the amount of consideration under the arrangement comprises of -

- fixed charges based on Annual Guaranteed Tonnage and
- variable charges based on Actual Utilisation Tonnage,

then, the Group recognises the consideration for construction services at its fair value, as the "financial asset under service concession arrangement" to the extent present value of fixed payment to be received discounted at incremental borrowing rate and the residual portion is recognised as an intangible asset.

# Notes to the Consolidated Financial Statements

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## j) Investment Properties

Property which is held for long-term rental yields or for capital appreciation or both, is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, policies with respect to depreciation, useful life and derecognition are followed on the same basis as stated for Property, Plant & Equipment.

## k) 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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

## l) Leases

The Group 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.

### Group as a lessee

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

### i) Right-of-use assets

The Group recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred,

and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset is transferred to the Group 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 (n) Impairment of non-financial assets.

### ii) Lease Liabilities

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group 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.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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

The Group 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.

#### Group as a lessor Income from long term leases

As a part of its business activity, the Group 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 recognises 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 recognised 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 recognised on an accrual basis.

In cases where long term lease / sub-lease transaction agreement are non-cancellable in nature, the income is recognised 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 recognised 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 land 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.

### m) 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.

### n) Impairment of non-financial assets

The Group 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 Group 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.

# Notes to the Consolidated Financial Statements

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The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group'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 Group 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.

Goodwill is tested for impairment annually as at every year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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

## **o) Provisions, Contingent Liabilities and Contingent Assets**

### **General**

Provisions are recognised when the Group 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.

### **Operational Claim provisions**

Provisions for operational claims are recognised when the service is provided to the customer. Further recognition is based on historical experience. The initial estimate of operational claim related cost is revised annually.

## **p) Retirement and other employee benefits**

Short term employee benefits include salaries, vacation and recovery days which are recognised as an expense as the employee's entitlement grows. Liability for cash bonus or a profit-sharing plan is recognised when the Group has a legal or constructive obligation to pay the amount for service provided by employee in the past and the amount can be easily estimated.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises 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 recognised as a liability after deducting the contribution already paid.

The Group operates a defined benefit gratuity plan in India and other benefit plans for employees outside 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,

## Notes to the Consolidated Financial Statements

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated 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 Group 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 Group 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. Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per projected unit credit method.

The Group also makes Severance payments to certain employees located on ports outside India where the expense is recognised on an ongoing basis based on increase in their accumulated seniority. Benefits provided to employees outside India under a voluntary retirement plan are expensed in statement of profit and loss when the plan is offered with no realistic possibility of cancellation and is reliably measured.

### q) Financial instruments

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

### Financial assets

#### Initial recognition and measurement

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

#### Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments and derivative 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:

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

This category is the most relevant to the Group. 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 consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss except where the Company has given temporary waiver of interest not exceeding 12 months period. This category generally applies to trade/loans and other receivables.

#### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the

# Notes to the Consolidated Financial Statements

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criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL.

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

The Group 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.

## Equity investments

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

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

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

## Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

## Impairment of financial assets

The Group 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, are measured at fair value through 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 Group follows 'simplified approach' for recognition of impairment loss allowance on:

- > Trade receivables or contract revenue receivables; and

## Notes to the Consolidated Financial Statements

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- > All lease receivables resulting from transactions within the scope of relevant accounting standard

Under the simplified approach the Group 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 group 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 Group in accordance with the contract and all the cash flows that the Group 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 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 group does not reduce impairment allowance from the gross carrying amount.

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

### **Financial liabilities**

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

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

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

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

#### **Subsequent measurement**

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition 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 Group 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 consolidated statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit or loss. However, the Group 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 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.

#### **Loans and borrowings**

After initial recognition at fair value, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR

# Notes to the Consolidated Financial Statements

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method. Gains and losses are recognised in the consolidated 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 consolidated 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.

## Reclassification of financial assets

The Group 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 Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group 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 Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## 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.

## r) Derivative financial instruments and Hedge accounting

### Initial recognition and subsequent measurement of derivative financial instruments

The Group uses derivative financial instruments such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its short-term fluctuations foreign currency risks and interest rate risks. 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 are classified in the statement of profit and loss and reported with foreign exchange gains/(losses) not within results from operating activities. Changes in fair value and gains/(losses) on settlement/remeasurement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

### Hedge Accounting

The Group has implemented hedge accounting, an accounting policy choice under Ind AS by designating its specific non-derivative

## Notes to the Consolidated Financial Statements

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foreign currency financial liabilities as hedging instruments in respect of foreign currency risk on highly probable forecast sales being hedge item under cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its hedging strategy. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents and performs hedge effectiveness testing, which is when the hedging relationships meet all of the following hedge effectiveness requirements.

- a) there is an economic relationship between the hedged item and the hedging instrument.
- b) the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- c) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e., rebalances the hedge) so that it meets the qualifying criteria again.

### Cash flow hedges

- The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss
- Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a highly probable forecast sale occurs. When the hedged item is a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.
- If the hedging instrument expires or is sold, terminated, or exercised or if its

designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised in profit or loss.

### 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.

### t) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks & 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 consolidated 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 Group's cash management.

### u) Cash dividend to equity holders of the parent

The Company recognises a liability for payment of dividend to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## v) Goodwill on consolidation

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the acquisition.

## w) Business Combination

Business Combination has been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes fair value of any contingent considerations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at the fair value on the date of acquisition.

Business Combinations between entities under common control is accounted for in accordance with Appendix C of Ind AS-103.

Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at

the acquisition date that, if known, would have affected the amount recognised at that date.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

## x) Non-current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

## y) 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 for 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.

## z) New Standards, Interpretations and Amended standards adopted by the Group

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

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

impact on the consolidated financial statements of the Company.

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

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

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

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

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

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

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

### 4. Subsidiary as a first-time adopter of Ind AS (Ind AS 101, First-time Adoption of Indian Accounting Standards)

If a subsidiary, joint venture or associate (together termed as subsidiary) adopts Ind AS later than its parent and applies paragraph D16(a) of Ind AS 101, then the subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transitions to Ind AS.

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

For the purpose of performing the '10 per cent test' for derecognition of financial liabilities, in determining fees paid, the borrower includes only fees paid or received between the entity

(the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

### 6. Taxation in fair value measurements (Ind AS 41, Agriculture)

The amendment removes the requirement to exclude cash flows for taxation when measuring fair value and thereby aligns the fair value measurement requirements in Ind AS 41 with those in Ind AS 113, Fair Value Measurement.

## 2.4 Significant accounting judgements, estimates and assumptions

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

### (A) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which has the most significant effect on the consolidated financial statements:

#### (i) Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control):-

- Group owns 49% ownership interest in Dholera Infrastructure Private Limited ("DIPL"). Group has entered into an agreement with the other shareholders of the DIPL basis which the directors of the Company has assessed that it has the practical ability to direct the relevant activities of DIPL unilaterally and therefore APSEZL has control over DIPL.
- Group owns 49% ownership interest in Mundra Solar Technopark Private Limited. The Group took control over business against outstanding receivables from the said entity. The Group also exercises control over board of the said entity pursuant to a shareholder agreement

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

consequential to which the Group has accounted it as a subsidiary in the consolidated financial statements.

- c) Group owns 48.97% ownership interest in Mundra LPG Terminal Private Limited ("MLTPL"). Considering the further Investment in equity instrument in April 2022, the Group has obtained management and operational control of MLTPL and the same has been accounted as subsidiary of the Group in the consolidated financial statements.

### (ii) Investment in entities which are not considered for consolidation

The Group has investment of ₹40 crore in Kutch Railway Company Limited ("KRCL"), the investee, to the tune of the 20% of the paid up capital of the said company. However considering that majority of the remaining shares are held by government companies / government authorities/government agencies, and the day-to-day operations being managed by government officials, the Group does not consider that it has significant influence over KRCL. Accordingly, the investment in the said entity has not been accounted under Ind AS 28 and accounted under Ind AS 109 with subsequent measurement of changes in fair value through other comprehensive income (FVTOCI).

- (iii) The group had a control over Adani KP Agri warehousing Private Limited (formerly known as KP Agri warehousing Private Limited) ("KP Agri") with a shareholding of 74 percent. During the previous year, KP Agri commenced its operations. Considering the understanding of the Group with other shareholder and the Group's ability to exercise joint control over KP Agri, the Group has concluded that it is jointly controlling the same post commencement of its operations and accordingly the investment in the said entity has been accounted using Equity method as per Ind AS 28.

### (B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation

uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

### (i) Impairment of non-financial assets (including goodwill)

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years or tenure of contract and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the CGU, are disclosed and further explained in note 43, 44 and 45.

### (ii) Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation,

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### (iii) Taxes

Deferred tax assets (including MAT credits) are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 27.

### (iv) Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Group uses market observable data to the extent available. Where such Level 2 inputs are not available, the Group 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 judgement is required in establishing fair values. Judgements 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 34 for further disclosures.

### (v) 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 Group'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. (refer note 2.3 (h) & (i))

### (vi) Highly Probable Forecast Sale Transaction designated as hedged item

The Group is applying cash flow hedge accounting as per the Ind AS 109 to hedge its foreign currency risk of its highly probable forecast sales transactions. The forecast of foreign currency sale transaction is an area of judgement applied by Management basis historical trend of growth in cargo and revenue of the Group. (refer note 2.3 (r) & 34.3(A)(ii))



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (contd.)

₹ In Crore

Particulars	Property, Plant and Equipment										Total					
	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Leasehold Land Development	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures		Railway Tracks	Tugs and Boats	Railway Wagons	Aircraft	Project Assets
Loss of Control Held for Sale	-	(1.93)	(0.04)	-	-	(31.67)	(0.01)	(0.01)	-	-	-	-	-	-	-	(33.66)
		(0.06)	(1.21)	(0.51)	(0.13)	(0.18)	-	-	-	-	-	-	-	-	-	(2.09)
<b>As at March 31, 2022</b>	-	<b>1,428.08</b>	<b>111.71</b>	<b>278.96</b>	<b>116.43</b>	<b>4,279.39</b>	<b>97.15</b>	<b>25.43</b>	<b>709.01</b>	<b>716.08</b>	<b>586.68</b>	<b>829.17</b>	<b>161.85</b>	<b>33.00</b>	<b>685.73</b>	<b>10,058.67</b>
Depreciation for the year	-	364.50	34.92	66.64	60.37	1,278.63	43.15	54.47	173.85	208.99	84.47	262.93	67.22	18.13	73.01	2,791.28
Deductions/Adjustment	-	(1.93)	(30.00)	5.75	(8.15)	0.23	(4.99)	(31.74)	-	(0.21)	-	(94.85)	(0.21)	-	(0.42)	(166.52)
Exchange difference	-	-	-	-	(0.47)	(0.33)	-	-	-	-	-	-	-	-	-	(0.80)
<b>As at March 31, 2023</b>	-	<b>1,790.65</b>	<b>116.63</b>	<b>351.35</b>	<b>168.18</b>	<b>5,557.92</b>	<b>135.31</b>	<b>48.16</b>	<b>882.86</b>	<b>924.86</b>	<b>671.15</b>	<b>997.25</b>	<b>228.86</b>	<b>51.13</b>	<b>758.32</b>	<b>12,682.63</b>
<b>Net Block</b>																
As at March 31, 2022	5,755.39	7,864.82	77.79	1,432.87	77.75	10,602.93	197.30	28.28	5,682.54	5,712.55	895.88	1,947.73	584.48	182.12	446.27	41,488.70
<b>As at March 31, 2023</b>	<b>6,645.74</b>	<b>8,806.34</b>	<b>212.60</b>	<b>1,376.85</b>	<b>1,771.76</b>	<b>10,919.97</b>	<b>186.97</b>	<b>734.51</b>	<b>5,752.11</b>	<b>5,901.95</b>	<b>940.06</b>	<b>3,615.49</b>	<b>974.69</b>	<b>163.99</b>	<b>410.97</b>	<b>48,414.00</b>

#### Notes :-

- Depreciation of ₹51.94 crore (previous year ₹29.71 crore) relating to the project assets has been allocated to Capitalisation / Capital Work-in-progress.
- Plant & Equipment includes cost of Water Pipeline amounting to ₹3.37 crore (Gross) (previous year ₹3.37 crore), accumulated depreciation ₹2.87 crore (previous year ₹2.75 crore) which is constructed on land not owned by the Company.
- Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹859.11 crore (previous year ₹859.11 crore), accumulated depreciation ₹237.42 crore (previous year ₹201.37 crore). The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.
- Reclaimed land measuring 1,093.53 hectare are pending to be registered in the name of the Company.
- Project Assets includes dredgers and earth moving equipments.
- Free hold Land and Lease hold Land includes Land given on Operating Lease Basis:  
Gross Block as at March 31, 2023 : ₹6.71 crore (previous year ₹6.71 crore)  
Accumulated Depreciation as at March 31, 2023 : ₹0.47 crore (previous year ₹0.41 crore)  
Net Block as at March 31, 2023 : ₹6.24 crore (previous year ₹6.30 crore)
- Plant & Equipment includes electrical installation of ₹13.04 crore and accumulated depreciation of ₹9.09 crore (previous year ₹13.04 crore and accumulated depreciation of ₹8.04 crore) for setting up of 66 kVA infrastructure facilities for providing power connection to the port facilities of subsidiary companies.
- The amount of borrowing costs capitalised during the year ended March 31, 2023 was ₹ Nil (previous year ₹28.87 crore). The rate used to determine the amount of borrowing costs eligible for capitalisation was ranging from 3.38% to 9%, which is the effective interest rate of the specific borrowing.
- The subsidiary company had reclaimed total 230 hectares of land for its port activities. The subsidiary company had developed these land area through dredging activities and an amount of ₹14.82 crore (previous year ₹16.05 crore) is capitalised as leasehold land development.
- Building and plant & equipments includes warehouses given on Operating Lease Basis :  
Gross Block as at March 31, 2023 : ₹304.18 crore (previous year ₹198.22 crore)  
Accumulated Depreciation as at March 31, 2023 : ₹52.06 crore (previous year ₹38.80 crore)  
Net Block as at March 31, 2023 : ₹252.12 crore (previous year ₹159.42 crore)
- Refer footnote to note 14 and 18 for security / charges created on property, plant and equipment.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (contd.)

#### (b) Right-of-Use Assets

₹ In Crore

Particulars	Land	Building	Plant & Equipment	Railway Wagons	Aircraft	Vehicles	Total
<b>Cost</b>							
<b>As at April 1, 2021</b>	<b>1,882.93</b>	<b>60.95</b>	<b>37.99</b>	<b>95.82</b>	<b>-</b>	<b>9.05</b>	<b>2,086.74</b>
Acquisitions through Business Combination	190.32	-	-	-	-	-	190.32
Acquisitions	22.06	-	-	-	-	-	22.06
Additions	1,449.20	12.08	4.29	-	-	8.35	1,473.92
Deductions/Adjustment	(3.71)	-	-	-	-	-	(3.71)
Exchange difference	(118.88)	-	-	-	-	0.17	(118.71)
Loss of Control	(11.12)	-	-	-	-	-	(11.12)
Held for sale	(628.79)	-	-	-	-	-	(628.79)
<b>As at March 31, 2022</b>	<b>2,782.01</b>	<b>73.03</b>	<b>42.28</b>	<b>95.82</b>	<b>-</b>	<b>17.57</b>	<b>3,010.71</b>
Acquisitions through Business Combination (refer note 39(i))	173.50	277.91	-	-	-	6.52	457.93
Additions	101.48	13.67	31.31	-	391.58	5.44	543.48
Deductions/Adjustment	(88.67)	2.31	-	-	-	(2.40)	(88.76)
Exchange difference	112.52	(17.22)	-	-	-	(0.65)	94.65
<b>As at March 31, 2023</b>	<b>3,080.84</b>	<b>349.70</b>	<b>73.59</b>	<b>95.82</b>	<b>391.58</b>	<b>26.48</b>	<b>4,018.01</b>
<b>Accumulated Depreciation</b>							
<b>As at April 1, 2021</b>	<b>98.32</b>	<b>11.76</b>	<b>30.33</b>	<b>20.83</b>	<b>-</b>	<b>6.13</b>	<b>167.37</b>
Depreciation for the year	78.31	9.20	9.81	10.57	-	5.22	113.11
Deductions/Adjustment	2.51	-	-	-	-	0.64	3.15
Exchange difference	(4.51)	-	-	-	-	-	(4.51)
Loss of Control	(1.24)	-	-	-	-	-	(1.24)
Held for sale	(39.42)	-	-	-	-	-	(39.42)
<b>As at March 31, 2022</b>	<b>133.97</b>	<b>20.96</b>	<b>40.14</b>	<b>31.40</b>	<b>-</b>	<b>11.99</b>	<b>238.46</b>
Depreciation for the year	138.78	9.13	5.85	10.51	32.63	5.70	202.60
Deductions/Adjustment	(15.46)	52.61	0.21	-	-	(2.40)	34.96
Exchange difference	1.26	(0.82)	-	-	-	(0.35)	0.09
<b>As at March 31, 2023</b>	<b>258.55</b>	<b>81.88</b>	<b>46.20</b>	<b>41.91</b>	<b>32.63</b>	<b>14.94</b>	<b>476.11</b>
<b>Net Block</b>							
As at March 31, 2022	2,648.04	52.07	2.14	64.42	-	5.58	2,772.25
<b>As at March 31, 2023</b>	<b>2,822.29</b>	<b>267.82</b>	<b>27.39</b>	<b>53.91</b>	<b>358.95</b>	<b>11.54</b>	<b>3,541.90</b>

#### Notes

- As a part of concession agreement for development of port and related infrastructure at Mundra, the Company has been allotted land on lease basis by Gujarat Maritime Board (GMB). The Company has recorded rights in the GMB Land at present value of future annual lease payments in the books and classified the same as Right-of-Use Assets.
- Leasehold land includes 38 hectare of forest land amounting to ₹3.59 crore allotted to one of the subsidiary company by Ministry of Environment and Forests.
- GIDC has allotted 11.70 hectare of land on right to use basis for the period of 10 years for developing facilities for the project having gross value of ₹0.01 crore (previous year ₹0.58 crore) to one of the subsidiary company.
- Refer footnote to note 14 and 18 for security / charges created.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (contd.)

#### (c) Other Intangible Assets

₹ In Crore

Particulars	Software	Railway License Fee	Service Concession Assets/Port Infrastructure Rights	Right to operate port	Customer Contact	Customer Relationship	Non-compete agreement	Total
<b>Cost</b>								
<b>As at April 1, 2021</b>	<b>138.02</b>	<b>40.81</b>	<b>2,368.91</b>	<b>3,915.03</b>	-	-	<b>15.50</b>	<b>6,478.27</b>
Acquisitions through Business Combination	0.57	-	-	-	2,539.20	3,828.60	-	6,368.37
Additions	80.00	-	9.71	-	-	-	275.00	364.71
Deductions/ Adjustment	(2.13)	-	(9.63)	-	-	-	-	(11.76)
Exchange difference	0.42	-	0.53	-	-	-	-	0.95
Loss of Control	(0.01)	-	-	-	-	-	-	(0.01)
Held for Sale	(1.23)	-	(392.76)	-	-	-	-	(393.99)
<b>As at March 31, 2022</b>	<b>215.64</b>	<b>40.81</b>	<b>1,976.76</b>	<b>3,915.03</b>	<b>2,539.20</b>	<b>3,828.60</b>	<b>290.50</b>	<b>12,806.54</b>
Acquisitions through Business Combination (refer note 39(i))	10.11	-	-	346.70	-	171.96	-	528.77
Additions	14.90	-	12.59	-	-	-	-	27.49
Deductions/ Adjustment	1.54	-	(0.27)	-	-	-	(275.00)	(273.73)
Exchange difference	(1.06)	-	(0.88)	-	-	-	-	(1.94)
<b>As at March 31, 2023</b>	<b>241.13</b>	<b>40.81</b>	<b>1,988.20</b>	<b>4,261.73</b>	<b>2,539.20</b>	<b>4,000.56</b>	<b>15.50</b>	<b>13,087.13</b>
<b>Accumulated Amortisation &amp; Impairment</b>								
<b>As at April 1, 2021</b>	<b>83.88</b>	<b>16.42</b>	<b>766.36</b>	<b>65.79</b>	-	-	<b>12.79</b>	<b>945.24</b>
Amortisation for the year	23.20	3.26	130.54	104.56	110.40	110.90	57.26	540.12
Deductions/ Adjustment	(2.09)	-	(4.38)	-	-	-	-	(6.47)
Exchange difference	0.31	-	0.48	-	-	-	-	0.79
Held for Sale	(1.05)	-	(252.63)	-	-	-	-	(253.68)
<b>As at March 31, 2022</b>	<b>104.25</b>	<b>19.68</b>	<b>640.37</b>	<b>170.35</b>	<b>110.40</b>	<b>110.90</b>	<b>70.05</b>	<b>1,226.00</b>
Amortisation for the year	30.62	2.64	107.66	107.30	110.40	122.68	-	481.30
Deductions/ Adjustment	(9.86)	-	(0.18)	-	-	-	(54.55)	(64.59)
Exchange difference	(0.43)	-	(0.66)	-	-	-	-	(1.09)
<b>As at March 31, 2023</b>	<b>124.58</b>	<b>22.32</b>	<b>747.19</b>	<b>277.65</b>	<b>220.80</b>	<b>233.58</b>	<b>15.50</b>	<b>1,641.62</b>
<b>Net Block</b>								
As at March 31, 2022	111.39	21.13	1,336.39	3,744.68	2,428.80	3,717.70	220.45	11,580.54
<b>As at March 31, 2023</b>	<b>116.55</b>	<b>18.49</b>	<b>1,241.01</b>	<b>3,984.08</b>	<b>2,318.40</b>	<b>3,766.98</b>	-	<b>11,445.51</b>

#### Notes

a) Refer footnote to note 14 and 18 for security / charges created.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (contd.)

#### (d) Goodwill

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Carrying value at the beginning of the year	6,711.43	4,047.05
Amount recognised through acquisitions and business combinations (refer note 39(i))	252.05	2,664.33
Forex movement	(0.08)	0.05
Carrying value at the end of the year (refer note 45)	<b>6,963.40</b>	<b>6,711.43</b>

#### (e) Capital Work-in-Progress

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Opening	4,022.90	3,697.13
Additions	7,416.45	3,640.26
Capitalised during the year	(4,988.33)	(2,999.34)
Acquisition Adjustment	363.01	54.48
Asset Held for Sale	-	(345.15)
Loss of Control	-	(24.48)
Closing	<b>6,814.03</b>	<b>4,022.90</b>

Refer footnote to note 14 and 18 for security / charges created.

#### Capital Work-in-Progress (CWIP) Ageing

##### Ageing of Projects under Work-In-Progress as on March 31, 2023

Particulars	₹ In Crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	4,139.57	989.22	287.93	1,397.31	6,814.03
<b>Total</b>	<b>4,139.57</b>	<b>989.22</b>	<b>287.93</b>	<b>1,397.31</b>	<b>6,814.03</b>

##### Ageing of Projects under Work-In-Progress as on March 31, 2022

Particulars	₹ In Crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	1,775.44	585.74	563.68	1,098.04	4,022.90
<b>Total</b>	<b>1,775.44</b>	<b>585.74</b>	<b>563.68</b>	<b>1,098.04</b>	<b>4,022.90</b>

There are no temporarily suspended projects.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 3. Property, Plant and Equipment, Right-of-Use Assets, Other Intangible Assets, Goodwill, Capital Work-in-Progress and Investment Properties (contd.)

**Material Projects whose completion is overdue or has exceeded its cost compared to its original plan**

**As at March 31, 2023**

₹ In Crore

Particulars	To be completed in				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Development of Vizhinjam International Deepwater Multipurpose Seaport (refer note 46)	241.69	1,955.96	-	-	2,197.65
<b>Total</b>	<b>241.69</b>	<b>1,955.96</b>	<b>-</b>	<b>-</b>	<b>2,197.65</b>

**As at March 31, 2022**

₹ In Crore

Particulars	To be completed in				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Development of Vizhinjam International Deepwater Multipurpose Seaport (refer note 46)	240.09	-	1,686.85	-	1,926.94
<b>Total</b>	<b>240.09</b>	<b>-</b>	<b>1,686.85</b>	<b>-</b>	<b>1,926.94</b>

#### (f) Investment Properties

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
	Land	Land
Opening Balance	-	-
Addition on account of acquisition	2,473.13	-
Transfer from/to Property, Plant and Equipment	0.25	-
<b>Balance at the end of the year</b>	<b>2,473.38</b>	<b>-</b>

#### Note:-

Currently Investment property is not generating any rental income and there are no direct operating expenses arising from such investment property.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 4 a) Investments accounted using Equity Method

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>In Equity Shares of Joint Venture Entities and Associates</b>		
32,22,31,817 (previous year 32,22,31,817) fully paid Equity Shares of ₹10 each of Adani International Container Terminal Private Limited (refer note 37(B) and 35(ii)(a))	-	-
5,93,78,278 (previous year 5,93,78,278) fully paid Equity Shares of ₹10 each of Adani CMA Mundra Terminal Private Limited (refer note 37(B))	-	-
61,20,000 (previous year 30,60,000) fully paid Equity Shares of ₹10 each of Adani NYK Auto Logistics Solutions Private Limited (refer note 37(B))	2.56	0.73
2,02,00,000 (previous year 2,02,00,000) fully paid Equity Shares of ₹10 each of Adani Total Private Limited (refer note (iii) below & 37(B))	1,233.63	1,174.85
25,500 (previous year 25,500) fully paid Equity Shares of ₹10 each of EZR Technologies Private Limited	0.03	0.03
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Dighi Roha Rail Limited	0.05	0.05
74,000 (previous year 74,000) fully paid Equity Shares of ₹10 each of Adani KP Agriwarehousing Private Limited	14.37	14.19
49,48,28,289 (previous year Nil) fully paid Equity Shares of ₹10 each of Indianoil Adani Ventures Limited (formerly known as Indian Oiltanking Limited) (refer note 37(B) & 39 (iii))	1,171.79	-
5,26,27,778 (previous year Nil) fully paid Equity Shares of ₹10 each of IOT Utkal Energy Services Limited (refer note 39 (iii))	40.07	-
5,88,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Khimji Sparkle Marine Services Co. SOAC	35.88	-
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Mundra LPG Terminal Private Limited (refer note 39(i)(2))	-	-
	<b>2,498.38</b>	<b>1,189.85</b>

### b) Other Investments

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Unquoted</b>		
<b>In Equity Shares of Company (Investment at fair value through OCI) (refer note (ii) below)</b>		
5,00,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹10 each of Kutch Railway Company Limited	282.85	275.00
1,73,30,000 (previous year 1,73,30,000) fully paid Equity Shares of ₹10 each of Bharuch Dahej Railway Company Limited	17.88	19.05
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of NQXT Port Pty Limited (formerly known as Mundra Port Pty Limited)	-*	-*
14,001 (previous year 14,001) fully paid Equity Shares of ₹10 each of Ambily Technologies Private Limited	0.01	0.01
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Dhamra LPG Terminal Private Limited	0.05	0.05
8,10,00,000 (previous year 8,10,00,000) fully paid Equity Shares of ₹10 each of Krishnapatnam Railway Company Limited	55.49	70.70

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 4 b) Other Investments (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
36,00,000 (previous year 36,00,000) fully paid Equity Shares of ₹10 each of Blyth Wind Park Private Limited	2.45	7.20
200 (previous year 200) Fully paid Equity Shares of ₹10 each of Investment in TCP Limited	0.01	0.01
65,00,000 (previous year 65,00,000) fully paid Equity Shares of ₹10 each of KP Polyolefin Sacks Private Limited (previously classified as held for sale) (refer note 40(i))	6.98	-
3,69,54,050 (previous year 3,69,54,050) fully paid Equity Shares of ₹10 each of Krishnapatnam Infratech Limited (previously classified as held for sale) (refer note 40(i))	170.05	-
10,00,000 (previous year Nil) Equity Shares of ₹10 each of Equity Shares of Karaikal Port Private Limited (refer note 52)	1.00	-
<b>In Optionally Convertible Debentures (Investment at fair value through OCI) (refer note (ii) below)</b>		
9,00,00,000 (previous year Nil) 0.01% Optionally Convertible Debentures of ₹10 each of Adrita Realtors Private Limited	90.64	-
9,40,00,000 (previous year Nil) 0.01% Optionally Convertible Debentures of ₹10 each of Dependencia Infrastructure Private Limited	93.24	-
7,20,00,000 (previous year Nil) 0.01% Optionally Convertible Debentures of ₹10 each of Agratas Projects Private Limited	71.76	-
<b>In Others (Investment at fair value through OCI) (refer note (ii) below)</b>		
Secured Loan to Other Classified as Equity in Nature (refer note 10(ii)) (reclassified as current as on reporting date)	-	230.00
<b>Total FVTOCI Investment</b>	<b>792.41</b>	<b>602.02</b>
<b>In Government Securities (Investment at amortised cost)</b>		
National Savings Certificates (Lodged with Government Department) & others	-*	-*
<b>In preference shares of Joint Venture Entities (Investment at fair value through profit or loss)</b>		
3,10,03,627 (previous year 3,10,03,627) fully paid Compulsorily Convertible Preference shares of ₹225 each of Adani Total Private Limited	195.02	191.59
<b>Other Investment (Investment at fair value through profit and loss)</b>		
1,14,203 units (previous year 1,14,203 units) of Special Infrastructure Investment Scheme of ASSIS (reclassified as current as on reporting date)	-	1,129.49
Investment in Mutual Assistance Fund	72.04	-
	<b>1,059.47</b>	<b>1,923.10</b>

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

#### Notes:

- i) Aggregate amount of unquoted investments as at March 31, 2023 ₹3,557.85 crore (previous year ₹3,112.95 crore).

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 4 b) Other Investments (contd.)

ii) Reconciliation of Fair value measurement of the investments

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Opening Balance	602.02	369.24
Investment made during the year	257.00	237.00
Reclassified from held for sale to Investment	47.60	-
Reclassified from Non-current to Current	(230.00)	-
Reduction on account of Business Combination	-	(0.60)
Fair value gain/(loss) recognised in Other comprehensive income (net)	115.79	(3.62)
Closing Balance	<b>792.41</b>	<b>602.02</b>

iii) Value of Deemed Investment accounted in joint venture entities in terms of fair valuation under Ind AS 109

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Adani Total Private Limited	785.74	782.08

## 5 Trade Receivables

(unsecured, unless otherwise stated)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Trade Receivables		
Considered good	4,084.00	2,615.28
Credit impaired	47.90	26.60
	4,131.90	2,641.88
Less : Allowances for Expected Credit Loss ("ECL")	(191.11)	(120.74)
	<b>3,940.79</b>	<b>2,521.14</b>
Customers' Bill Discounted (refer note (c) below)	699.12	299.24
Other Trade Receivables	3,241.67	2,221.90
<b>Total Trade Receivables</b>	<b>3,940.79</b>	<b>2,521.14</b>

Refer note 32 for related party balances

#### Notes:

- No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
- Generally, as per credit terms trade receivables are collectable within 30-60 days although the Group provide extended credit period with interest between 7.50% to 10% considering business and commercial arrangements with the customers including with the related parties.
- The Carrying amounts of the trade receivables include receivables amounting to ₹699.12 crore (previous year ₹299.24 crore) which are subject to a bills discounting arrangement. Under this arrangement, the Group has transferred the relevant receivables to the bank / financial institution in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account as per the arrangement. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 18.



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 6 Loans

(Unsecured unless otherwise stated)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Loans to Joint Venture Entities</b>				
- Considered Good	6.70	484.41	300.33	61.77
<b>Loans for acquisition</b>				
- Considered Good (refer note 52)	1,485.00	-	-	-
<b>Loans to others (refer note below)</b>				
- Considered Good	97.15	87.00	107.77	1,240.65
	<b>1,588.85</b>	<b>571.41</b>	<b>408.10</b>	<b>1,302.42</b>

#### Note :

Loans/ Inter Corporate deposits given from time to time are based on terms approved by the Finance Committee of the Board of Directors of the Company/the Board of Directors of the subsidiary entities as per the Treasury Policy, as permitted by the Articles of Association, and their repayment along with interest are guaranteed by unconditional and irrevocable Letter of Indemnity and Undertaking by a related party. (Refer note 3 to the Statement of Cashflows, Credit Risk section under (B) in note 34.3 & note 32)

### 7 Other Financial Assets

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Security deposits (refer note 35(i))				
- Considered good	2,255.86	2,846.26	443.55	26.75
- Considered doubtful	-	-	7.27	7.27
	2,255.86	2,846.26	450.82	34.02
Allowances for doubtful deposit	-	-	(7.27)	(7.27)
	2,255.86	2,846.26	443.55	26.75
Loans and Advances to Employees	0.84	1.85	4.07	4.39
Lease Receivable (refer note (b) below)	1,125.92	1,401.23	75.64	58.48
Interest Accrued	87.29	201.95	222.59	360.65
Non Trade Receivable	-	-	43.22	36.60
Advance for Acquisition	-	-	220.00	-
Asset under Service Concession Arrangement	129.61	137.26	18.02	17.13
Derivative Instruments / Forward Contracts Receivable	-	1.22	194.01	0.34
Advance for land consideration (refer note (a) below)	12.65	18.18	5.64	5.19
Insurance Claim Receivables	-	-	15.12	15.08
Gratuity Assets (refer note 29)	955.61	-	21.99	0.84
	<b>4,567.78</b>	<b>4,607.95</b>	<b>1,263.85</b>	<b>525.45</b>

#### Notes:-

- a) Advance for land consideration are payments towards cost of acquisition of land for port development which is acquired and owned by Government of Odisha, the payment of which has been borne by one of the subsidiary. The payments so made by the subsidiary are being adjusted against revenue share dues payable to the government from the commencement date of commercial operations in annual equal instalments over 15 years.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 7 Other Financial Assets (contd.)

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

₹ In Crore

Particulars	March 31, 2023		March 31, 2022	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within One Year	114.49	89.53	157.88	127.63
After one year but not later than five years	385.53	248.70	587.98	383.28
More than five years	2,825.80	863.33	2,925.97	948.80
<b>Total minimum lease receivables</b>	<b>3,325.82</b>	<b>1,201.56</b>	<b>3,671.83</b>	<b>1,459.71</b>
Less: Amounts representing finance charges	(2,124.26)	-	(2,212.12)	-
<b>Present value of minimum lease receivables</b>	<b>1,201.56</b>	<b>1,201.56</b>	<b>1,459.71</b>	<b>1,459.71</b>

### 8 Other Assets

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Capital advances (refer note (a) & (e) below)	2,999.34	1,050.69	-	-
Balance with Government Authorities (refer note (d) below)	449.78	327.80	429.02	265.19
Prepaid Expenses	70.98	17.56	157.91	103.57
Accrued revenue	-	-	65.70	72.36
Contract Assets (refer note (b) below)	-	-	370.02	167.44
Advances recoverable other than in cash				
To others	0.18	-	116.47	117.22
To related parties	-	-	24.96	4.31
Government Grant Receivables	63.14	-	-	-
Deferred Rent	21.56	14.22	-	-
Export benefits and Other receivables (refer note (c) below)	-	25.00	-	-
Taxes recoverable (net) (refer note 27)	733.06	864.09	-	-
	<b>4,338.04</b>	<b>2,299.36</b>	<b>1,164.08</b>	<b>730.09</b>

#### Notes:

- a) Capital advance includes ₹315.31 crore (previous year ₹391.90 crore) paid to various parties and government authorities towards purchase of land.
- b) 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 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.
- c) On September 23, 2021 DGFT issued a notification, which restricts the Group's eligibility for SEIS benefits and also restricts the benefit up to ₹5 crore per entity for FY 2019-20, pursuant to which the SEIS receivable amounting to ₹405.19 crore pertaining to FY 2019-20 has been written off during the previous year and is shown as exceptional item. However, the Group has contested the legality and retrospective application of the said notification.
- d) Balance with Government Authorities includes ₹10 crore paid to Kamarajar Port Limited ("KPL") as a deposit. (refer note 36(o)).
- e) Capital advance is net of allowances for doubtful advance amounting to ₹10.59 crore (previous year ₹10.59 crore).

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 9 Inventories (At lower of cost and Net realisable value)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Stores and Spares, Fuel and Lubricants	451.97	395.64
	<b>451.97</b>	<b>395.64</b>

### 10 Current Investments

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Unquoted mutual funds (Investment at fair value through profit or loss)</b>		
5,793.35 units (previous year 14,29,238.51 units) of ₹1,208.48 each (previous year ₹114.61 each) in ICICI Prudential Overnight Fund Direct Plan	0.70	16.38
1,57,035.17 units (previous year 7,691.12 units) of ₹3,523.30 each (previous year ₹3,333.09 each) in SBI Premier Liquid Fund - Direct Plan - Growth	55.33	2.56
65,494.58 units (previous year 83,203.32 units) of ₹3,649.25 each (previous year ₹3,461.35 each) in SBI Overnight Fund Direct Growth	23.90	28.80
Nil (previous year 195.12 units of ₹2,747.62 each) in Edelweiss Liquid Fund - Direct Plan Growth	-	0.05
28,48,467.52 units (previous year Nil) of ₹363.08 each in Birla Sun Life Cash Plus -Growth-Direct Plan	103.42	-
9,06,845.84 units (previous year Nil) of ₹1,212.44 each in Aditya Birla Overnight Fund Growth -Direct Plan	109.95	-
<b>Other Investment (Investment at fair value through profit or loss)</b>		
1,14,203 units (previous year 1,14,203) of Special Infrastructure Investment Scheme of ASSIS (reclassified from non-current to current)	1,136.98	-
Investments in Corporate Bonds	1,065.84	-
Investments in Government Bonds	887.74	-
Investments in Equity Instruments	358.50	-
<b>In Others (Investment at fair value through OCI) (refer note (i) below)</b>		
Secured Loan to Other Classified as Equity in Nature (refer note (ii) below) (reclassified from Non-current to Current)	286.33	-
	<b>4,028.69</b>	<b>47.79</b>
Aggregate carrying value of unquoted Mutual Funds	293.30	47.79
Aggregate net assets value of unquoted Mutual Funds	293.30	47.79

#### Notes:-

- i) Reconciliation of Fair Value measurement of the investment

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Opening Balance	-	-
Reclassified from Non-current to Current	230.00	-
Investment made during the year	64.64	-
Fair Value loss recognised in other comprehensive income	(8.31)	-
Closing Balance	<b>286.33</b>	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 10 Current Investments (contd.)

- ii) As on March 31, 2023, the subsidiary company has given loan (net of fair value adjustment) amounting to ₹286.33 crore (previous year ₹230 crore) to an Assets Reconstruction Company (Omkaara Assets Reconstruction Private Limited (ARC)) to invest into Security receipts of an Assets Reconstruction Trusts (Omkaara ARC Trusts PS 14-18/ 2021-22 (ARC Trusts)). The said amounts advanced to ARC are secured by security receipts issued by the ARC Trusts.

Considering requirement of Ind AS 32 – Financial Instruments – Classification and terms of the instrument, the amount advanced has been assessed and classified as 'Equity' in nature and disclosed as Secured Loan classified as Equity in Nature and designated as FVTOCI as the investment is not held for trading purpose and disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

### 11 Cash and Bank Balances

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Cash and cash equivalents</b>				
Balance in current account	-	-	611.73	8,401.13
Deposits with original maturity of less than three months	-	-	305.75	251.68
Cash on hand	-	-	14.51	0.21
	-	-	<b>931.99</b>	<b>8,653.02</b>
<b>Other bank balances</b>				
Bank Deposit with maturity of more than 12 months	-	1,084.47	-	-
In Current Account (earmarked for Unpaid Dividend)	-	-	2.40	1.96
Deposits with original maturity over 3 months but less than 12 months	-	-	1,285.80	605.68
Margin Money Deposits (refer note (i) below)	1,552.97	1,987.61	2,028.59	1,406.75
	<b>1,552.97</b>	<b>3,072.08</b>	<b>3,316.79</b>	<b>2,014.39</b>
Amount disclosed under Non- Current Financial Assets in Balance Sheet	(1,552.97)	(3,072.08)	-	-
	-	-	<b>3,316.79</b>	<b>2,014.39</b>

#### Notes:-

- (i) Margin Money Deposits (net of overdraft facilities of ₹3,449.50 crore (Previous year ₹2,106.49 crore)) aggregating to ₹3,581.56 crore (previous year ₹3,394.36 crore) are pledged / lien against bank guarantees, letter of credit and other credit facilities.
- (ii) For the purpose of Statement of Cash Flows, cash and cash equivalents comprises the following

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Balance in current account	611.73	8,401.13
Deposits with original maturity of less than three months	305.75	251.68
Cash on hand	14.51	0.21
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>931.99</b>	<b>8,653.02</b>
Cash & Cash Equivalents attributable to Assets held for sale (refer note 40)	4.71	23.03
<b>Cash and Cash Equivalents as per Cash Flow Statement</b>	<b>936.70</b>	<b>8,676.05</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 12 Share Capital

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Authorised share capital</b>		
<b>Equity share capital</b>		
10,47,50,00,000 (previous year 10,47,50,00,000) Equity Shares of ₹2 each	2,095.00	2,095.00
<b>Preference share capital</b>		
50,00,00,000 (previous year 50,00,00,000) Non-Cumulative Redeemable Preference shares of ₹10 each	5.00	5.00
	<b>2,100.00</b>	<b>2,100.00</b>

#### Note:-

Pursuant to Composite Scheme of Arrangement with Gangavaram Port Limited (GPL), the authorized share capital of the Company has automatically increased by 5,00,00,00,000 equity shares upon scheme became effective (refer note 39(i)(1)).

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Issued, subscribed and fully paid-up share capital</b>		
2,16,01,38,945 (previous year 2,11,23,73,230) fully paid up Equity Shares of ₹2 each	432.03	422.47
	<b>432.03</b>	<b>422.47</b>

#### a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2023		March 31, 2022	
	No.	₹ In Crore	No.	₹ In Crore
At the beginning of the year	2,11,23,73,230	422.47	2,03,17,51,761	406.35
Add: Issue of equity shares (refer note (ii) below)	-	-	1,00,00,000	2.00
Add: Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note (iii) below)	4,77,65,715	9.56	7,06,21,469	14.12
<b>Outstanding at the end of the year</b>	<b>2,16,01,38,945</b>	<b>432.03</b>	<b>2,11,23,73,230</b>	<b>422.47</b>

#### Notes:

##### i) Terms/rights attached to equity shares

The Company has only one class of equity share having par value of ₹2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

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

##### ii) On April 19, 2021, the Company has allotted 1,00,00,000 equity shares having face value of ₹2 each on preferential basis to Windy Lakeside Investment Limited at an issue price of ₹800 per share (including premium of ₹ 798 per share).

**For the period of five years immediately preceding the date at which the Balance Sheet is prepared:-**

##### iii) Aggregate number of 11,83,87,184 (upto March 31, 2022: 7,06,21,469) equity shares of ₹2 each have been allotted, Pursuant to Composite Scheme of Arrangement (refer note 39(i)(1)).

##### iv) Aggregate number of 3,92,00,000 (upto March 31, 2022: 3,92,00,000) equity shares bought back.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 12 Share Capital (contd.)

#### b) Equity Component of Non-cumulative Redeemable Preference Shares

Particulars	March 31, 2023		March 31, 2022	
	No.	₹ In Crore	No.	₹ In Crore
At the beginning of the year	25,01,824	166.53	25,01,824	166.53
Add/(Less):- Movement during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>25,01,824</b>	<b>166.53</b>	<b>25,01,824</b>	<b>166.53</b>

#### i) Terms of Non-cumulative Redeemable Preference shares:

- The Company has outstanding 25,01,824 (previous year 25,01,824) 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹10 each issued at a premium of ₹990 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference share holders. These shares are redeemable at an aggregate premium of ₹247.68 crore (previous year ₹247.68 crore) (equivalent to ₹990 per share).

In the event of liquidation of the Company, the holder of NCRPS (before redemption) will have priority over equity shares in the payment of dividend and repayment of capital. The preference shares carry fixed dividend which is non-discretionary.

- The Preference Shares issued by the Company are classified as Financial Liability. These preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised as interest expense using the effective interest method.
- The equity component of redeemable preference shares includes the securities premium amount received on issue of preference shares and the preference share capital, redemption premium reserve being created in compliance of the Companies Act, 2013.

#### c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	No.	% Holding in the Class	No.	% Holding in the Class
<b>Equity shares of ₹2 each fully paid</b>				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	79,93,53,935	37.84%
ii) Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	13,81,93,549	6.54%
iii) Flourishing Trade and Investment Limited	12,44,54,607	5.76%	11,44,54,607	5.42%
iv) Life Insurance Corporation of India	19,70,26,194	9.12%	20,95,27,194	9.92%
<b>Non-Cumulative Redeemable Preference Shares of ₹10 each fully paid up</b>				
Priti G. Adani	5,00,365	20.00%	5,00,365	20.00%
Shilin R. Adani	5,00,364	20.00%	5,00,364	20.00%
Pushpa V. Adani	5,00,365	20.00%	5,00,365	20.00%
Ranjan V. Adani	5,00,455	20.00%	5,00,455	20.00%
Suvarna M. Adani	5,00,275	20.00%	5,00,275	20.00%

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 12 Share Capital (contd.)

#### d) Details of Equity Shares held by Promoters & Promotor Group at the end of the year

As at March 31, 2023

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Gautambhai Shantilal Adani	1	0.00%	-
Rajeshbhai Shantilal Adani	30,001	0.00%	100%
Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	71,07,53,935	32.90%	(11%)
Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	-	0.00%	(100%)
Adani Properties Private Limited	16,85,000	0.08%	-
Adani Rail Infra Private Limited	7,06,21,469	3.27%	-
Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.40%	-
Worldwide Emerging Market Holding Limited	8,60,92,798	3.99%	-
Afro Asia Trade and Investments Limited	8,99,45,212	4.16%	-
Emerging Market Investments DMCC	8,41,79,195	3.90%	-
Flourishing Trade And Investments Limited	12,44,54,607	5.76%	9%
Gelt Bery Trade And Investment Limited	100	0.00%	100%
Spitze Trade And Investment Limited	1,23,58,700	0.57%	100%
<b>Total</b>	<b>1,31,83,14,567</b>	<b>61.03%</b>	

As at March 31, 2022

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Gautambhai Shantilal Adani	1	0.00%	-
Rajeshbhai Shantilal Adani	1	0.00%	-
Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	37.84%	-
Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	30,000	0.00%	-
Adani Properties Private Limited	16,85,000	0.08%	-
Adani Rail Infra Private Limited	7,06,21,469	3.34%	NA
Adani Tradeline Private Limited (formerly known as Adani Tradeline LLP)	13,81,93,549	6.54%	-
Worldwide Emerging Market Holding Limited	8,60,92,798	4.08%	11%
Afro Asia Trade and Investments Limited	8,99,45,212	4.26%	-
Emerging Market Investments DMCC	8,41,79,195	3.99%	-
Flourishing Trade And Investments Limited	11,44,54,607	5.42%	10%
<b>Total</b>	<b>1,38,45,55,767</b>	<b>65.55%</b>	

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 12 Share Capital (contd.)

#### e) Details of Non-Cumulative Redeemable Preference Shares held by Promoter and Promoter Group at the end of the year

##### As at March 31, 2023

Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Priti G. Adani	5,00,365	20.00%	-
Shilin R. Adani	5,00,364	20.00%	-
<b>Total</b>	<b>10,00,729</b>	<b>40.00%</b>	

##### As at March 31, 2022

Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Priti G. Adani	5,00,365	20.00%	-
Shilin R. Adani	5,00,364	20.00%	-
<b>Total</b>	<b>10,00,729</b>	<b>40.00%</b>	

### 13 Other Equity

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Equity Component of Non Cumulative Redeemable Preference shares</b>		
Opening Balance	166.53	166.53
Change during the year	-	-
Closing Balance	<b>166.53</b>	<b>166.53</b>

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Securities Premium</b>		
Opening Balance	6,151.66	599.56
Add: Premium on issue of equity shares on preferential basis (refer note 12 (a) (ii))	-	798.00
Add: Premium on issue of equity shares pursuant to Composite Scheme of Arrangement (refer note 12 (a) (iii) and 39(i)(1))	3,595.70	4,754.10
Closing Balance	<b>9,747.36</b>	<b>6,151.66</b>

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>General Reserve</b>		
Opening Balance	2,812.13	2,765.97
Add- Transfer from Debenture Redemption Reserve	41.17	46.16
Closing Balance	<b>2,853.30</b>	<b>2,812.13</b>

Note:- The general reserve is used from time to time to transfer profit from retained earnings for apportionment purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 13 Other Equity (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Debenture Redemption Reserve ("DRR")</b>		
Opening Balance	632.74	556.69
Add: Transferred from Retained Earnings	109.88	122.21
Less: Transferred to General Reserve	(41.17)	(46.16)
Closing Balance	<b>701.45</b>	<b>632.74</b>

Note: The Company has issued redeemable non-convertible debentures. The Company has been creating Debenture Redemption Reserve (DRR) as per the relevant provisions of the Companies Act 2013. However, according to Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Company is not required to create DRR on any fresh issue of Debentures. Accordingly, the Company has not created DRR on fresh issue of redeemable non-convertible debentures.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Capital Redemption Reserve ("CRR")</b>		
Opening Balance	7.84	7.84
Change during the year	-	-
Closing Balance	<b>7.84</b>	<b>7.84</b>

Note: As per Companies Act, 2013, Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Tonnage Tax Reserve</b>		
Opening Balance	991.13	1,015.88
Add/(Less): Transferred from/(to) Retained Earnings	272.22	(24.75)
Closing Balance	<b>1,263.35</b>	<b>991.13</b>

Note:- Certain Subsidiary companies have opted for Tonnage Tax Scheme u/s 115V of the Income Tax Act, 1961. Accordingly Section 115 VT of the Income Tax Act, 1961 requires the said companies to create Tonnage Tax Reserve and transfer the amount equivalent to 20% of the book profits of the said companies from retained earnings to Tonnage Tax Reserve and to be utilised only for the purpose as mentioned in the said Act.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Retained Earnings</b>		
Opening Balance	27,057.02	24,875.68
Add : Profit attributable to equity holders of the parent	5,310.18	4,886.03
Less : Dividend on shares	(1,056.19)	(1,020.88)
Add/(Less):- Adjustment on acquisition of non-controlling stake	3.50	(1,558.09)
Less:- Consideration paid to Non-Controlling interests and other adjustment	(220.93)	-
Less:- Acquisition Adjustment	-	(25.51)
Less : Transfer to Debenture Redemption reserve	(109.88)	(122.21)
Add/(Less) : Transfer to/from Tonnage Tax Reserve	(272.22)	24.75
Add/(Less) : Remeasurement gain/(loss) on defined benefit plans (net of tax)	13.03	(2.75)
Closing Balance	<b>30,724.51</b>	<b>27,057.02</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 13 Other Equity (contd.)

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 for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Share pending Issuance</b>		
Opening Balance	3,605.26	-
Add:- Equity share pending issuance against composite scheme of arrangement with GPL (refer note 39(i)(1))	-	3,605.26
Less:- Issue of equity share against pending issuance	(3,605.26)	-
Closing Balance	-	<b>3,605.26</b>

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Capital Reserve</b>		
Opening Balance	5.95	5.95
Add :-Addition on account of acquisition (refer note 39(i)(3))	95.41	-
Closing Balance	<b>101.36</b>	<b>5.95</b>

Note:- The excess of fair value of net assets acquired over consideration paid in business combination is recognised as capital reserve on consolidation. The reserve is not available for distribution.

### Other Comprehensive Income

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	(67.46)	34.16
Add/(Less):- Change during the year	(129.01)	(101.62)
Closing Balance	<b>(196.47)</b>	<b>(67.46)</b>

Note:- Exchange differences relating to translation of results and net assets of the group's foreign operations from their functional currencies to the group's presentation currency (i.e rupees) are recognised directly in other comprehensive income and accumulated in foreign currency translation reserve.

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Cash Flow Hedge Reserve (refer note 34.3(A)(ii))</b>		
Opening Balance	24.22	(9.77)
Less:- Effective portion of gains and losses on designated portion of cash flow hedge	(560.11)	-
Add:- Recycled to profit and loss account	11.61	-
Add/(Less):- Share of other comprehensive income of joint venture	20.77	33.99
Closing Balance	<b>(503.51)</b>	<b>24.22</b>

Note:- The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the cash flow hedge that are recognised and accumulated under the heading of cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 13 Other Equity (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Equity instrument through other comprehensive income</b>		
Opening Balance	178.73	183.42
Add/(Less) : Change in fair value of FVTOCI Equity Investments (net of tax)	107.10	(4.69)
Closing Balance	<b>285.83</b>	<b>178.73</b>

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

<b>Total Other Equity</b>	<b>45,151.55</b>	<b>41,565.75</b>
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### Dividend Distribution made and proposed

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Cash Dividend on Equity Shares declared and paid</b>		
Final Dividend for the year ended March 31, 2022 ₹5 per share (Previous year ₹5 per share) on 2,11,23,73,230 equity shares (Previous year 2,04,17,51,761 equity shares)	1,056.19	1,020.88
	<b>1,056.19</b>	<b>1,020.88</b>
<b>Proposed Dividend on Equity Shares</b>		
Final Dividend for the year ended March 31, 2023 ₹5 per share (Previous year ₹5 per share) on 2,16,01,38,945 equity shares (Previous year 2,11,23,73,230 equity shares)	1,080.07	1,056.19
	<b>1,080.07</b>	<b>1,056.19</b>
<b>Cash Dividend on Preference Shares declared and paid</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	-*	-*
<b>Proposed Dividend on Preference Shares</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	-*	-*

\* Figure nullified in conversion of ₹in crore

Proposed dividend on equity shares are in compliance with relevant section of the Companies Act, 2013 which is subject to approval at the annual general meeting and are not recognised as liability.

### 14 Non Current Borrowings

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Debentures</b>				
15,000 (previous year 15,000) 8.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable on April 12, 2030) (refer note (a) below)	1,488.20	1487.03	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 14 Non Current Borrowings (contd.)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
2,520 (previous year 2,520) 9.35% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on July 04, 2026) (refer note (b) below)	251.64	251.55	-	-
16,000 (previous year 16,000) 7.65% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹533.30 crore on October 31, 2025, ₹533.30 crore on October 31, 2026 and ₹533.40 crore on October 30, 2027) (refer note (c) below)	1,591.45	1,589.45	-	-
10,000 (previous year 10,000) 8.22% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹333.30 crore on March 07, 2025, ₹333.30 crore on March 07, 2026 and ₹333.40 crore on March 08, 2027) (refer note (b) below)	1,000.00	1,000.00	-	-
13,000 (previous year 13,000) 8.24% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹433.30 crore on November 29, 2024, ₹433.30 crore on November 29, 2025 and ₹433.40 crore on November 27, 2026) (refer note (d) below)	1,300.00	1,300.00	-	-
10,000 (previous year 10,000) 6.25% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at October 18, 2024) (refer note (e) below)	991.14	985.90	-	-
9,000 (previous year 9,000) 6.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable on September 11, 2023) (refer note (a) below)	-	896.01	898.73	-
6,000 (previous year 6,000) 7.25% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemable ₹500 crore on May 26, 2023 and ₹100 crore on June 01, 2023) (refer note (b) below)	-	598.15	599.74	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 14 Non Current Borrowings (contd.)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
2,000 (previous year 2,000) 9.35% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹100 crore on May 26, 2023 and ₹100 crore on May 27, 2026) (refer note (a) below)	99.49	199.10	99.96	-
Nil (previous year 1,647) 10.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at three annual equal instalments commencing from March 02, 2021) (refer note (a) below)	-	-	-	164.66
1,000 (previous year Nil) 8.60% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at eighteen quarterly instalments to be repaid by September 18, 2027) (refer note i(i) below)	56.50	-	9.00	-
<b>Foreign currency Bonds</b>				
5% Foreign Currency Bond priced at 315.30 basis points over the 20 years US Treasury Note (unsecured) (refer note h(i))	3,645.68	3,356.91	-	-
3.828% Foreign Currency Bond priced at 255 basis points over the 10.50 years US Treasury Note (unsecured) (refer note h(ii))	2,432.95	2,238.96	-	-
3.10% Foreign Currency Bond priced at 205.50 basis points over the 10 years US Treasury Note (unsecured) (refer note h(iii))	4,078.00	3,755.69	-	-
4.375% Foreign Currency Bond priced at 238 basis points over the 10 years US Treasury Note (unsecured) (refer note h(iv))	6,126.65	5,640.68	-	-
4.20% Foreign Currency Bond priced at 376 basis points over the 7 years US Treasury Note (unsecured) (refer note h(v))	6,138.19	5,653.58	-	-
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured) (refer note h(vi))	4,088.21	3,759.40	-	-
3.375% Foreign Currency Bond priced at 150 basis points over the 5 years US Treasury Note (unsecured) (refer note h(vii))	5,335.15	4,908.91	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 14 Non Current Borrowings (contd.)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Preference shares</b>				
Liability Component of 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12(b))	125.73	115.35	-	-
<b>Foreign currency loans</b>				
From banks (secured) (refer note (f), i(ii) & i(iii))	2,804.39	387.67	82.26	95.84
From banks (unsecured) (refer note i(iv) below)	3,868.54	-	-	-
<b>Rupee loans</b>				
From banks (secured) (refer note (g), i(v) to i(xii), x(viii))	114.49	1,031.62	165.58	371.33
From others (unsecured) (refer note i(xiii) below)	2.52	2.52	-	-
<b>Foreign currency letters of credit</b>				
From banks (secured) (refer note i(xvii))	13.84	-	11.27	-
From banks (unsecured) (refer note h(viii), i(xiv) to i(xvi))	964.18	533.00	157.26	54.82
	<b>46,516.94</b>	<b>39,691.48</b>	<b>2,023.80</b>	<b>686.65</b>
<b>The above amount includes</b>				
Secured borrowings	9,711.14	9,726.48	1,866.54	631.83
Unsecured borrowings	36,805.80	29,965.00	157.26	54.82
Amount disclosed under the head Current borrowings (refer note 18)	-	-	(2,023.80)	(686.65)
	<b>46,516.94</b>	<b>39,691.48</b>	<b>-</b>	<b>-</b>

#### Notes:

- Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹2,586.38 crore (previous year ₹2,746.80 crore) which are secured by first rank Pari-passu charge on all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port.
- Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,851.38 crore (previous year ₹1,849.70 crore) which are secured by first rank pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Wandh, Mundra Port.
- Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,591.45 crore (previous year ₹1,589.45 crore) are secured by first rank pari-passu charge on the specified assets of one of the subsidiary company and immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. (Previous year - secured by first pari-passu charge on specified assets of one of the subsidiary company).
- Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,300.00 crore (previous year ₹1,300.00 crore) which are secured by first rank pari-passu charge on all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. (Previous year - specified assets of certain subsidiary companies and all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port.
- Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹991.14 crore (previous year ₹985.90 crore) are secured by first rank Pari-passu charge on specified assets of one of the subsidiary company.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## 14 Non Current Borrowings (contd.)

- f) Foreign currency loan aggregating to ₹ Nil (previous year ₹18.60 crore) carried interest @ 6 months EURIBOR plus basis point 95 were secured by exclusive charge on the Dredgers procured under the facility. The same has been repaid during the current year.
- g) Rupee term loan amounting to ₹ Nil (previous year ₹410.81 crore) carrying interest @ Repo Rate plus spread of 1.35%. The loan is repayable in 8 half yearly structured instalment commencing from December 30, 2020. The loan is secured by first ranking pari-passu charge on the movable and immovable assets of MPT, T-II and CT-II, project assets of the Company located at Mundra Port. Considering the terms of the loan, same has been classified under current borrowings.
- h) Unsecured Loan
- (i) 20 years Foreign Currency Bond of USD 450 million equivalent to ₹3,645.68 crore (previous year ₹3,356.91 crore) carries interest rate at 5% p.a. with bullet repayment in the year 2041.
  - (ii) 10.50 years Foreign Currency Bond of USD 300 million equivalent to ₹2,432.95 crore (previous year ₹2,238.96 crore) carries interest rate at 3.828% p.a. with bullet repayment in the year 2032
  - (iii) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹4,078 crore (previous year ₹3,755.69 crore) carries interest rate at 3.10% p.a. with bullet repayment in the year 2031.
  - (iv) 10 years Foreign Currency Bond of USD 750 million equivalent to ₹6,126.65 crore (previous year ₹5,640.68 crore) carries interest rate at 4.375% p.a. with bullet repayment in the year 2029.
  - (v) 7 years Foreign Currency Bond of USD 750 million equivalent to ₹6,138.19 crore (previous year ₹5,653.58 crore) carries interest rate at 4.20% p.a. with bullet repayment in the year 2027.
  - (vi) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹4,088.21 crore (previous year ₹3,759.40 crore) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.
  - (vii) 5 years Foreign Currency Bond of USD 650 million equivalent to ₹5,335.15 crore (previous year ₹4,908.91 crore) carries interest rate at 3.375% p.a. with bullet repayment in the year 2024.
  - (viii) Trade credit facilities of ₹308.24 crore (previous year ₹181.90 crore). The same is repayable next year unless maturity date of the same is extended/rolled over.
- i) **Loans taken by the subsidiaries includes:**
- (i) Secured Non-Convertible Redeemable Debentures issued by Ocean Sparkle Limited aggregating to ₹65.50 crore (previous year ₹ Nil) carrying interest of 8.6% p.a. are secured by way of mortgage of the marine assets. The principle amount is repayable in seventeen quarterly instalments of ₹2.25 crore and last instalment of ₹27.25 crore and interest is payable on annual basis.
  - (ii) Foreign currency Term Loan from Banks taken by Shanti Sagar International Dredging Limited aggregating to ₹412.88 crore (previous year ₹464.91 crore) are secured by way of first ranking exclusive charge over the assets of company committed under agreements. Charge on assets has been created through agreement in favor of Axis Trustee Service Limited acting on behalf of all the lenders. The same carries interest in the range of 6 month EURIBOR 2.337 plus 50 basis points. The loans are repayable 6 monthly in 20 equal instalments commencing from May 16, 2018 and final repayment will be done on November 16, 2027.
  - (iii) Foreign currency Term Loan from Banks taken by Mediterranean International Ports A.D.G.D Limited aggregating to ₹2,473.77 crore (previous year ₹ Nil) are secured by way of by share pledge of Haifa Port Company. The facility carries Interest rate of Bank of Israel plus 4.25% spread. The loan is repayable in single instalments on 10th January, 2025. The loan also has an option to extend the maturity for a period of additional one year.
  - (iv) Foreign currency Term Loan from Banks taken by Adani International Ports Holdings Pte Limited aggregating to ₹3,868.54 crore (previous year ₹Nil) carries interest @ SOFR plus margin of 1.50% per annum and TONAR plus margin of 0.75% per annum. The loans are repayable in full, 3 years from the date of drawdown.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 14 Non Current Borrowings (contd.)

(v) Loan taken by Adani Agri Logistics Limited aggregating to ₹92.11 crore (previous year ₹129.18 crore) is secured by first exclusive charge on mortgage of immovable properties pertaining to the project, first exclusive charge by way of hypothecation of all movable assets, first exclusive charge on book debts, operating cash flows, receivables, commission, revenues of projects, first exclusive charge by way of hypothecation over Escrow Account and DSRA, first charge by way of assignment of project rights. The term loan will be repaid based on monthly instalments as per the loan repayment schedule agreed upon in the sanction letter.

- The Term Loan having sanctioned amount of ₹450 crore carries interest rate ranging from 5.35% p.a. to 5.74% p.a.

(vi) Rupee Term Loan taken by Adani Hazira Port Limited aggregating to ₹ Nil (previous year ₹450.00 crore) carried Repo Rate 4% + 1.35% Spread from May 5, 2021 (Earlier HDFC Bank Repo Rate 4% + 2.05% Spread) payable in 12 consecutive quarterly instalments commencing from July, 2021 to April 2024. The Loan from bank was secured first pari passu on the entire assets, both movable assets and immovable assets, intangible assets, current assets including receivables, both present and future and the same has been repaid during the financial year 2022-23.

(vii) Rupee Term Loan taken by Adani Agri Logistics (Katihar) Limited aggregating to ₹28.45 crore (previous year ₹28.45 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets. Repayment of loan will be made by a single payment on December 29, 2023 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.52% to 8.72%.

Rupee Term Loan taken aggregating to ₹5.53 crore (previous year ₹5.53 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets. Repayment of loan will be made by a single payment on December 31, 2024 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.41% to 8.60%.

(viii) Rupee Term Loan taken by Adani Agri Logistics (Kannauj) Limited aggregating to ₹10.20 crore (previous year ₹10.20 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 29, 2023 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.52% to 8.72%.

Rupee Term Loan aggregating to ₹36.78 crore (previous year ₹36.78 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 31, 2024 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.41% to 8.60%.

(ix) Rupee Term Loan taken by Adani Agri Logistics (Panipat) Limited aggregating to ₹38.70 crore (previous year ₹38.70 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 29, 2023 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.52% to 8.72%.

(x) Rupee Term Loan taken by Adani Agri Logistics (Samastipur) Limited aggregating to ₹20.40 crore (previous year ₹20.40 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 29, 2023 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.52% to 8.72%.

Rupee Term Loan aggregating to ₹5.49 crore (previous year ₹5.49 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 31, 2024 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.41% to 8.60%.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## 14 Non Current Borrowings (contd.)

- (xi) Rupee Term Loan taken by Adani Agri Logistics (Darbhanga) Limited aggregating to ₹28.24 crore (previous year ₹28.24 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 29, 2023 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.52% to 8.72%.
- (xii) Rupee Term Loan taken by Adani Agri Logistics (Dhamora) Limited aggregating to ₹14.17 crore (previous year ₹14.17 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on December 31, 2024 with interest debited on monthly basis. The Term Loan carries interest ranging from 5.41% to 8.60%.
- (xiii) Loan taken by Adinath Polyfills Private Limited aggregating to ₹2.52 crore (previous year ₹2.52 crore) from its related parties.
- (xiv) Suppliers Bill Accepted under Foreign Letter of credit facilities taken by The Adani Harbour Services Limited aggregating to ₹438.28 crore (previous year ₹294.60 crore) carries interest in the range of 6 months JPY Tibor plus 90 BPS and 1 Year JPY Tibor plus 90 BPS. The Foreign letter of credit outstanding as at March 31, 2023 is repayable within 6 to 12 months and maturity is extended as per RBI Guidelines for Capital Goods.
- (xv) Suppliers Bill Accepted under Foreign Letter of credit facilities taken by Adani Vizhinjam Port Private Limited of ₹55.99 crore (Previous year ₹111.32 crore) carries interest of 1.03% (previous year 0.97%) for the balance usance period. The Foreign letter of credit outstanding as at March 31, 2023, ₹56.50 crore is repayable on July 28, 2023 and maturity is extendable as per RBI Guidelines for Capital Goods.
- (xvi) Trade credit facilities taken by Adani Gangavaram Port Limited of ₹236.87 crore (previous year ₹ Nil) carries interest rate of 6M SOFR + 90BPS. The same is repayable on April 4, 2025 unless maturity date of the same is extended/rolled over as per RBI Guidelines.
- Trade credit facilities of ₹82.06 crore (previous year ₹ Nil) carries interest rate of 6M SOFR + 95BPS. The same is repayable on March 30, 2025 unless maturity date of the same is extended/rolled over as per RBI Guidelines.
- (xvii) Letter of credit taken by Adani Krishnapatnam Port Limited aggregating to ₹25.11 crore (previous year ₹ Nil) is repayable by 360 days to 720 days from the days of bill of landing
- (xviii) Loans from banks taken by The Dhamra Port Company Limited includes secured rupee term loan from banks amounting to ₹ Nil (previous year ₹225.00 crore) repayable in 9 variable quarterly instalments upto June 2025 and carries interest @ 5.35% to 7.85% p.a.

The loan is secured by a first pari passu charge on all immovable Property, Plant and Equipments (including lease hold properties), movable fixed assets, non-current assets & current assets (including book debts, operating cash flows, receivables, revenue), intangible assets both present & future and all bank accounts including (Trust & Retention Account and Debt Service Account). Also secured by pledge of equity shares held by parent company representing 30% of the total equity paid up capital of the company. The loan has been classified as current loan on reporting date.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 15 Lease Liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Lease Liabilities (refer note (a) and (b))	2,681.74	1,983.78	61.97	32.16
	<b>2,681.74</b>	<b>1,983.78</b>	<b>61.97</b>	<b>32.16</b>

#### Notes:-

(a) Land, Building, Vehicles, Plant & Equipments and Railway Wagons have been taken on lease by the Group. The terms of lease rent are for the period ranging from 3 years to 35 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.

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

₹ In Crore

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
<b>March 31, 2023</b>						
Minimum Lease Payments	111.84	790.13	5,266.21	6,168.18	(3,424.47)	2,743.71
Finance charge allocated to future periods	49.87	487.30	2,887.30	3,424.47	-	-
Present Value of MLP	61.97	302.83	2,378.91	2,743.71	-	2,743.71
<b>March 31, 2022</b>						
Minimum Lease Payments	75.76	566.37	4,409.06	5,051.19	(3,035.25)	2,015.94
Finance charge allocated to future periods	43.60	221.59	2,770.06	3,035.25	-	-
Present Value of MLP	32.16	344.78	1,639.00	2,015.94	-	2,015.94

### 16 Other Financial Liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Derivative Instruments	25.12	-	36.52	13.95
Capital creditors and retention money	101.14	81.10	1,156.14	904.73
Other payables (including discounts etc.)	-	-	548.60	359.59
Unpaid Dividends #	-	-	2.40	1.96
Interest accrued but not due on borrowings	99.82	82.93	766.03	571.87
Deposit from Customer	93.78	57.67	60.11	51.67
Financial Guarantees Obligation	2.98	5.86	5.54	5.60
Payables against business combination	-	-	21.92	21.64
Put Option Liability	-	-	23.50	23.50
	<b>322.84</b>	<b>227.56</b>	<b>2,620.76</b>	<b>1,954.51</b>

# Not due for credit to "Investors Education & Protection Fund"

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 16 Other Financial Liabilities (contd.)

#### Notes:

#### (a) Disclosure with regards to changes in liabilities arising from financing activities - 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.

₹ In Crore

Particulars	Borrowings and Interest accrued but not due	Lease Liabilities	Unpaid Dividend on Equity and Preference Shares	Derivative Contracts	Total
<b>April 1, 2021</b>	<b>35,513.44</b>	<b>780.35</b>	<b>1.88</b>	<b>8.45</b>	<b>36,304.12</b>
Cash Flows	4,977.08	(61.70)	(1,026.65)	43.13	3,931.86
Foreign Exchange Movement	922.90	-	-	-	922.90
Addition of lease obligation	-	992.67	-	-	992.67
Other adjustments	9.28	-	-	-	9.28
Charged to Profit and Loss	2,556.27	-	-	(15.69)	2,540.58
Acquisition adjustment	2,668.68	304.62	-	-	2,973.30
Dividend recognised during the year	-	-	1,026.73	-	1,026.73
Bills discounted (net)	(240.57)	-	-	-	(240.57)
<b>March 31, 2022</b>	<b>46,407.08</b>	<b>2,015.94</b>	<b>1.96</b>	<b>35.89</b>	<b>48,460.87</b>
Cash Flows	(2,025.65)	(53.01)	(1,092.91)	(482.71)	(3,654.28)
Foreign Exchange Movement	2,522.44	-	-	-	2,522.44
Addition of lease obligation	-	539.86	-	-	539.86
Other adjustments	(106.62)	-	-	569.25	462.63
Charged to Profit and Loss	2,593.62	-	-	(230.98)	2,362.64
Acquisition adjustment	1,593.53	240.92	-	(0.32)	1,834.13
Dividend recognised during the year	-	-	1,093.35	-	1,093.35
Bills discounted (net)	399.88	-	-	-	399.88
<b>March 31, 2023</b>	<b>51,384.28</b>	<b>2,743.71</b>	<b>2.40</b>	<b>(108.87)</b>	<b>54,021.52</b>

### 17 Other Liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Advance from customers (refer note 40(iii), 42)	-	-	871.34	871.22
Deposit from customers	-	-	12.67	12.14
Statutory liabilities	-	-	346.05	213.26
Unearned Income under long term land lease/ Infrastructure usage agreements	552.91	509.17	80.16	64.06
Deferred Income on fair valuation of Deposit taken	4.42	27.89	-	-
Deferred Government Grant (refer note (i) below)	591.51	451.15	20.23	14.97
Unearned revenue	-	-	10.68	78.02
Contract liabilities (refer note (ii) below)	-	-	473.06	401.20
	<b>1,148.84</b>	<b>988.21</b>	<b>1,814.19</b>	<b>1,654.87</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 17 Other Liabilities (contd.)

#### Notes:-

(i) Movement in Deferred Government Grant

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Opening Balance</b>	466.12	443.35
Add : Addition during the year	158.41	37.00
Add:- Addition on account of acquisition of subsidiary	3.55	-
Less: Amortisation during the year (refer note 22)	(16.34)	(14.23)
<b>Closing Balance</b>	<b>611.74</b>	<b>466.12</b>

The Grant mainly includes amount received from Government of Kerala as Viability Gap Funding for development of Vizhinjam International Deepwater Multipurpose Seaport amounting to ₹388.54 crore and benefit received under Export Promotion Capital Goods ("EPCG") scheme of Department General of Foreign Trade India (DGFT).

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

### 18 Current Borrowings

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Current maturities of long term borrowings (refer note 14)	2,023.80	686.65
Short term borrowings from banks (unsecured) (refer note h(ii) below)	-	490.00
Short term borrowings from banks (secured) (refer note (a),(g),h(i),h(ii) and h(iv) below)	576.02	1,900.00
Packing Credit Rupee Loan from bank (unsecured) (refer note (c),(d) and (e) below)	700.00	900.00
Short term borrowings from others (unsecured) (refer note h(iii) below)	2.55	2.55
Commercial paper (Unsecured) (refer note (b) below)	-	1,782.36
	<b>3,302.37</b>	<b>5,761.56</b>
Customers' Bill Discounted (unsecured) (refer note (f) below)	699.12	299.24
	<b>4,001.49</b>	<b>6,060.80</b>

#### Notes:

- Short Term loan aggregating to ₹ Nil (previous year ₹1,000 crore) was secured by second pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. Same has been repaid during the current year.
- Commercial Paper (CP) aggregating ₹ Nil (previous year ₹1782.36 crore) carried interest rate 4.25% p.a. and same has been repaid during the current year.
- Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹400 crore) linked to 3 month Treasury Bill and same has been repaid during the current year.
- Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹500 crore) carries interest rate of 4.10% p.a. and same has been repaid during the current year.
- Packing Credit rupee Loan aggregating to ₹700 crore (previous year ₹ Nil) carries interest rate of 7.85% p.a.
- Factored receivables of ₹699.12 crore (previous year ₹299.24 crore) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 1 to 12 months period. (refer note 5)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 18 Current Borrowings (contd.)

g) Rupee term loan amounting to ₹336.56 crore (previous year ₹ Nil) carrying interest @ Repo Rate plus spread of 1.35%. The loan is repayable in 8 half yearly structured instalment commencing from December 30, 2020. The loan is secured by by first rank Pari-passu charge on all the immovable and movable project assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port. Considering the terms of the loan, same has been classified under current borrowings.

#### h) Loans taken by the subsidiaries includes:

(i) Rupee Term Loan taken by Sarguja Rail Corridor Private Limited aggregating to ₹ Nil (previous year ₹900 crore) carried interest at overnight MCLR 6.45% + 0.25% for Bank of Baroda. The Loan from bank was secured, by way of exclusive charge to the bank, on the entire assets, both movable assets and immovable assets, intangible assets & assignment on the project documents. The same has been repaid during the year.

(ii) Short term loan taken by Adani Krishnapatnam Port Limited aggregating to ₹ Nil (Previous year ₹490 crore) carried interest for one month T Bill Rate 3.43% + 1% spread has been repaid during the year.

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

(iii) Loan taken by AYN Logistics Infra Private Limited aggregating to ₹2.55 crore (Previous year ₹2.55 crore) from others.

(iv) Loans from banks taken by The Dhamra Port Company Limited includes secured rupee term loan from banks amounting to ₹165 crore (previous year ₹Nil) repayable in 9 variable quarterly instalments upto June 2025 and carries interest @ 5.35% to 7.85% p.a.

The loan is secured by a first pari passu charge on all immovable Property, Plant and Equipments (including lease hold properties), movable fixed assets, non-current assets & current assets (including book debts, operating cash flows, receivables, revenue), intangible assets both present & future and all bank accounts including (Trust & Retention Account and Debt Service Account). Also secured by pledge of equity shares held by parent company representing 30% of the total equity paid up capital of the company. Loan has been classified as current loan on reporting date.

### 19 Trade and Other Payables

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	98.88	41.86
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,729.35	1,117.71
	<b>1,828.23</b>	<b>1,159.57</b>
Dues to related parties included in above (refer note 32)	<b>112.13</b>	<b>74.93</b>

#### Trade and other payable ageing Schedules

As on March 31, 2023

₹ In Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	93.51	5.37	-	-	-	98.88
2	Others	700.80	753.29	124.17	8.43	2.30	1,588.99
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	140.36	-	-	-	-	140.36
	<b>Total</b>	<b>934.67</b>	<b>758.66</b>	<b>124.17</b>	<b>8.43</b>	<b>2.30</b>	<b>1,828.23</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 19 Trade and Other Payables (contd.)

As on March 31, 2022

₹ In Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	35.11	6.75	-	-	-	41.86
2	Others	543.38	468.41	102.67	2.99	0.26	1,117.71
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>578.49</b>	<b>475.16</b>	<b>102.67</b>	<b>2.99</b>	<b>0.26</b>	<b>1,159.57</b>

### 20 Provisions

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Provision for Employee Benefits</b>				
Provision for gratuity (refer note 29)	1,191.59	23.80	446.01	3.87
Provision for compensated absences	9.56	9.87	102.02	103.65
	<b>1,201.15</b>	<b>33.67</b>	<b>548.03</b>	<b>107.52</b>
<b>Other Provisions</b>				
Provision for asset retirement obligation	0.60	0.56	-	-
	<b>1,201.75</b>	<b>34.23</b>	<b>548.03</b>	<b>107.52</b>

### Movement of Asset Retirement Obligation

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Opening Balance	0.56	0.97
Less: Change during the year	0.04	(0.41)
Closing Balance	<b>0.60</b>	<b>0.56</b>

### 21 Revenue from Operations

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
<b>Revenue from Contract with customer (refer note (a) below)</b>		
Income from Port Operations (including Port Infrastructure Services)	18,932.25	14,808.95
Utilities Services	-	117.54
Aircraft Operations	84.49	29.26
Logistics Services	1,043.38	918.05
	20,060.12	15,873.80
Lease, Upfront Premium and Deferred Infrastructure Income (refer note (b) and (c) below)	557.52	1,105.28
Other operating income	234.27	139.71
	<b>20,851.91</b>	<b>17,118.79</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 21 Revenue from Operations (contd.)

#### Notes:

#### a) Reconciliation of revenue recognised with Contract Price

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Contract price	20,538.31	16,250.22
<b>Adjustment for:</b>		
Change in Consideration	(23.92)	(14.67)
Refund Liability	(460.19)	(360.36)
Change in value of Contract Assets	7.06	9.16
Change in value of Contract Liabilities	(1.14)	(10.55)
<b>Revenue from Contract with Customer</b>	<b>20,060.12</b>	<b>15,873.80</b>

b) The Company has given various assets on finance lease to various parties. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Land leases include a clause to enable upward revision of the rental charge upto 3 years upto 20%. The company has also received one-time income of upfront premium ranging from ₹600 to ₹4000 per Sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹156.35 crore (previous year ₹145.98 crore) including upfront premium of ₹128.63 crore (previous year ₹108.78 crore) accrued under such lease have been booked as income in the statement of profit and loss.

#### c) Assets given under operating lease

The Group has given certain land portions on operating lease. Most of the leases are renewable for further period on mutually agreeable terms.

Some of the subsidiaries companies have entered into an agreement with Food Corporation of India (FCI) to design, develop, construct, operate and maintain project facilities for warehousing and transportation of the food grains on Design, Built, Finance, Own and Operate (DBFOO) basis. Under the agreement, the subsidiary company is eligible for revenues based on Annual Guaranteed Tonnage irrespective of the actual usage by FCI.

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
For a period not later than one year	159.14	114.32
For a period later than one year and not later than five years	504.94	414.94
For a period later than five years	1,184.68	939.85
	<b>1,848.76</b>	<b>1,469.11</b>

The Group has recognised income from operating leases of ₹167.80 crore. (previous year ₹116.80 crore)

### 22 Other Income

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Interest income on</b>		
Bank Deposits, Inter Corporate Deposits, Security Deposits etc.	1,115.71	1,814.31
Customer dues	20.26	21.24
Finance Lease	110.31	105.17
Dividend income on Non-current Investments	0.35	4.01
Net Gain on Sale of Current Investments	20.71	5.41
Net Gain on Disposal of Subsidiary/Associate	-	59.70
Scrap Sales	56.40	101.82

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 22 Other Income (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Profit on sale of Property, Plant and Equipment (net)	60.32	-
Unclaimed liabilities / excess provision written back	20.85	20.47
Financial Guarantee Income	6.53	4.38
Amortisation of Government Grant (refer note 17 (i))	16.34	14.23
Miscellaneous Income	125.70	72.98
	<b>1,553.48</b>	<b>2,223.72</b>

### 23 Operating Expenses

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Cargo handling / other charges to contractors (net of reimbursements)	2,669.09	1,858.99
Cost of Construction of Jetty Infrastructure (refer note 49)	10.00	592.68
Purchase of Power for utilities Business	-	132.95
Customer Claims (including expected credit loss)	35.94	-
Railway's Service Charges	731.95	684.84
Tug and Pilotage Charges	88.95	96.48
Maintenance Dredging	15.68	9.12
Repairs to Plant & Equipment	195.30	73.05
Stores, Spares and Consumables	457.68	307.35
Cost of sub-lease land	122.98	-
Repairs to Buildings	21.84	22.54
Power & Fuel	754.03	604.98
Waterfront Charges	265.86	254.46
Cost of Assets transferred under Finance Lease	8.38	8.62
Cargo Freight and Transportation Expenses	211.87	156.56
Aircraft Operating Expenses	44.10	17.36
Other expenses including Customs Establishment charges	12.56	16.28
Construction expenses under Service Concession Arrangements	8.35	28.85
	<b>5,654.56</b>	<b>4,865.11</b>

### 24 Employee Benefits Expense

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Salaries, Wages and Bonus	1,043.79	697.83
Contribution to Provident & Other Funds	31.89	23.76
Gratuity Expense (refer note 29)	34.26	9.80
Staff Welfare Expenses	68.23	48.04
	<b>1,178.17</b>	<b>779.43</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 25 Finance Costs

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
a) Interest and Bank Charges		
Interest on		
Debentures and Bonds	2,080.30	1,851.11
Loans, Buyer's Credit etc.	386.30	575.38
Lease liabilities	77.82	72.29
Others	4.26	22.50
Bank and other Finance Charges	44.94	38.33
	<b>2,593.62</b>	<b>2,559.61</b>
b) Gain on Derivatives / Swap Contracts (net)	(230.98)	(15.69)
	<b>2,362.64</b>	<b>2,543.92</b>

### 26 Other Expenses

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Rent Expenses	11.47	18.16
Rates and Taxes	12.58	190.53
Insurance	137.30	115.11
Advertisement and Publicity	40.70	25.30
Other Repairs and Maintenance	107.60	78.07
Legal and Professional Expenses	225.40	208.14
Corporate Support Service Fees	148.27	44.55
IT Support Services	23.99	26.67
Security Services Charges	82.06	62.59
Communication Expenses	49.82	44.17
Electric Power Expenses	5.54	3.35
Travelling and Conveyance	89.58	70.26
Directors' Sitting Fee	0.84	1.05
Commission to Non-executive Directors	1.00	1.00
Charity and Donations	132.89	127.38
Diminution in value of inventories	30.77	1.83
Loss on Sale/Discard of Property, Plant and Equipment (net)	-	3.52
Loss on Financial Instruments at FVTPL (net)	2.04	-
Miscellaneous Expenses	83.88	56.06
	<b>1,185.73</b>	<b>1,077.74</b>

### 27 Income Tax

The major component of income tax expenses for the year ended March 31, 2023 and March 31, 2022 are as under :-

#### (i) Tax Expense reported in the Consolidated Statement of Profit and Loss

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
a) Profit and Loss section		
<b>Current Income Tax</b>		
Current Tax Charges	952.20	874.94
Adjustment in respect of Tax Expense relating to earlier years	25.70	13.26
	<b>977.90</b>	<b>888.20</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 27 Income Tax (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Deferred Tax</b>		
Relating to origination and reversal of temporary differences	1.57	100.67
Tax (credit) under Minimum Alternate Tax	(883.09)	(224.91)
	<b>(881.52)</b>	<b>(124.24)</b>
	<b>96.38</b>	<b>763.96</b>
<b>b) Other Comprehensive Income ('OCI') section</b>		
<b>Current Income Tax</b>		
Tax impact on effective portion of Loss on designated portion of cash flow hedge	(184.49)	-
	<b>(184.49)</b>	<b>-</b>
<b>Deferred tax related to items recognised in OCI during the year</b>		
Tax impact on re-measurement loss/(gain) on defined benefit plans	0.33	(1.35)
Tax impact on net loss on FVTOCI Equity Investments	0.69	1.51
	<b>1.02</b>	<b>0.16</b>
	<b>(183.47)</b>	<b>0.16</b>

### (ii) Balance Sheet Section

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Taxes recoverable (net) (refer note 8)	733.06	864.09
Current Tax Liabilities (net)	(528.43)	(93.92)
	<b>204.63</b>	<b>770.17</b>

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

### (iii) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Profit before tax</b>	5,489.13	5,717.14
Tax Rate	34.94%	34.94%
At India's Statutory income tax rate	1918.12	1,997.80
<b>Add /(Less) Tax effect of:-</b>		
Expenses not allowable under Tax Law	34.48	37.99
Deduction under chapter VI-A	(1,065.58)	(716.53)
Share of Profit of Joint Ventures and Associates	(16.70)	(6.08)
Income charged as per special provision of Income Tax Act, 1961	(587.66)	(405.29)
Income that is exempt from tax	(16.01)	(0.47)
Reversal of tax on Composite scheme of arrangement	(4.03)	(24.54)
Indexation on Sale of Non Current Investment	-	(21.74)
Tax Adjustment in respect of previous years	(72.13)	8.45
Tax allowances on impairment provision	(171.65)	-
MAT Credit of previous period (recognised)/derecognised	(14.87)	131.42

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 27 Income Tax (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Deferred tax balances due to the change in income tax rate	(28.79)	(13.55)
Effect due to different tax rate	(121.24)	(12.92)
Unused tax losses and tax offsets not recognised as deferred tax assets	154.45	144.34
Effect of previously unrecognised tax losses and unutilised tax credits used to reduce tax expense	(1.12)	(195.45)
Subsidiaries' charged at different tax rates	(283.12)	(175.66)
Tax adjustment on elimination of dividend from subsidiaries	352.96	-
Others	19.27	16.19
<b>Income tax reported in Statement of Profit and Loss</b>	<b>96.38</b>	<b>763.96</b>
<b>Effective tax rate</b>	<b>1.76%</b>	<b>13.36%</b>

### Geographical Tax Expenses

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
India	64.45	749.04
Australia	18.02	12.73
Bangladesh	(0.10)	2.19
Sri Lanka	12.85	-
Israel	1.16	-

### (iv) Deferred Tax Liability (net)

Particulars	₹ In Crore			
	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(Liability) on Accelerated depreciation for tax purpose	(4,377.55)	(4,236.82)	(140.73)	(279.59)
Assets on Provision for Employee Benefits	101.85	20.97	80.88	8.24
Assets on unrealised intra-group profit	220.89	228.25	(7.36)	(2.08)
(Liability) on fair valuation gain on account of dilution of stake in Subsidiary	(109.31)	(109.31)	-	-
Assets on account of unabsorbed losses/depreciation	1,231.26	1,737.05	(505.79)	173.16
(Liability) on finance lease receivables	(403.58)	(253.78)	(149.80)	(151.11)
(Liability) on Preference Share debt component	(29.72)	(33.34)	3.62	3.34
Assets on fair valuation of Corporate and Bank Guarantee	3.74	2.94	0.80	(0.43)
(Liability) on Deemed Investments	(13.10)	(11.48)	(1.62)	(0.40)
(Liability) on Business Combination adjustment (refer note 39(i))	(2,072.65)	(2,056.78)	162.83	85.69
(Liability) on SCA receivables/ Intangible assets	(42.64)	(36.48)	(6.16)	(9.47)
(Liability) on Equity investment at FVTOCI	(38.87)	(38.18)	(0.69)	(1.51)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 27 Income Tax (contd.)

₹ In Crore

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(Liability) on CSR expense carry forward	-	-	-	5.59
Asset on upfront infrastructure income	82.41	59.15	23.26	59.15
Assets on transaction cost of Composite scheme of arrangement	15.57	-	15.57	-
Forex Impact on Conversion of Foreign operations	-	-	0.65	0.18
Adjustment on Loss of control of subsidiary	-	-	-	1.98
Assets on Provision for impairment	542.26	-	542.26	-
MAT Credit entitlement (refer note (i) below)	3,884.26	3,035.76	883.09	224.91
Assets on other adjustments	18.71	39.02	(20.31)	6.43
	<b>(986.47)</b>	<b>(1,653.03)</b>	<b>880.50</b>	<b>124.08</b>

#### Note:-

i) Current tax liabilities of ₹34.59 crore pertaining to previous year is adjusted against MAT credit.

#### (v) Deferred Tax reflected in the Balance Sheet as follows

₹ In Crore

Particulars	March 31, 2023	March 31, 2022
Deferred Tax Assets (net)	2,199.90	1,357.83
Deferred Tax Liabilities (net)	(3,186.37)	(3,010.86)
	<b>(986.47)</b>	<b>(1,653.03)</b>
<b>Component of Deferred Tax Assets / (Liabilities)</b>		
Tax Credit Entitlement under MAT	3,884.26	3,035.76
Less :Deferred tax liabilities (net)	(4,870.73)	(4,688.79)
	<b>(986.47)</b>	<b>(1,653.03)</b>

MAT credit of ₹640.10 crore (previous year ₹187.23 crore) has been recognised during the year.

#### (vi) The Group has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet

Financial Year	Amount (₹ in crore)	Expiry Date
2009-10	53.81	2024-25
2010-11	38.77	2025-26
2011-12	24.31	2026-27
2012-13	81.25	2027-28
2013-14	57.26	2028-29
2014-15	404.26	2029-30
2015-16	748.01	2030-31
2016-17	490.61	2031-32
2017-18	206.68	2032-33
2018-19	292.19	2033-34
2019-20	222.91	2034-35
2020-21	306.35	2035-36
2021-22	317.75	2036-37

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 27 Income Tax (contd.)

2022-23	640.10	2037-38
<b>Total</b>	<b>3,884.26</b>	

(vii) Certain subsidiary companies have carried forward unabsorbed depreciation aggregating ₹1,679.53 crore (Previous year ₹1,723.98 crore) under the Income Tax Act, 1961 for which there is no expiry date of its tax credit utilisation by the respective entities. Further certain subsidiary companies have carried forward losses aggregating ₹1,928.69 crore (previous year ₹1,755.33 crore) under the Income Tax Act, 1961, which gets expired within 8 years of the respective year.

The carried forward losses will get expired mainly during the years as follows:

Financial Year	Amount (₹ in crore)	Expiry Date
2015-16	169.78	2023-24
2016-17	161.25	2024-25
2017-18	118.91	2025-26
2018-19	373.23	2026-27
2019-20	218.26	2027-28
2020-21	549.17	2028-29
2021-22	335.39	2029-30
2022-23	2.70	2030-31
<b>Total</b>	<b>1,928.69</b>	

Deferred tax assets have not been recognised in respect of these unabsorbed losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

(viii) Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that earnings of the subsidiary will not be distributed in the foreseeable future and the company controls the timing of reversal of this temporary differences.

### 28 Earnings Per Share (EPS)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
<b>Profit for the year attributable to Equity holders of the parent</b>	5,310.18	4,886.03
Less : Dividends on Non-Cumulative Redeemable Preference Shares	-*	-*
<b>Net profit for calculation of basic and diluted EPS</b>	<b>5,310.18</b>	<b>4,886.03</b>
-* Figures being nullified on conversion to ₹ in crore.		
	<b>No.</b>	<b>No.</b>
Weighted average number of equity shares in calculating basic and diluted EPS (refer note 39(i)(1))	2,16,01,38,945	2,15,96,45,794
<b>Basic and Diluted Earnings per Share (in ₹)</b>	<b>24.58</b>	<b>22.62</b>

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

a) The Group has recognised, in the Consolidated Statement of Profit and Loss for the current year, an amount of ₹28.49 crore (Previous Year ₹24.11 crore) as expenses under the following defined contribution plan.

Contribution to	₹ In Crore	
	March 31, 2023	March 31, 2022
Provident Fund	28.32	23.94
Superannuation Fund	0.17	0.17
<b>Total</b>	<b>28.49</b>	<b>24.11</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 29 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

- b) The Group has a defined gratuity plan. Under the plan every employee who has completed at least five years of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Companies in form of a qualifying insurance policy for future payment of gratuity to the employees.

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

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

#### Gratuity and Other Employee Benefits

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Present value of the defined benefit obligation at the beginning of the year	84.02	75.35
Current service cost	17.82	9.02
Interest cost	21.91	4.99
Actuarial (gain) / loss arising from and including OCI:		
- change in demographic assumptions	(0.83)	(0.79)
- change in financial assumptions	(24.85)	5.56
- experience variance	12.22	(0.73)
Benefits paid	(61.01)	(6.69)
Foreign Exchange Difference	(20.07)	-
Liability Transfer In- Business acquisition adjustment	1,669.02	0.19
Liability Transfer In/(out)	(1.92)	(2.88)
Present value of the defined benefit obligation at the end of the year	<b>1,696.31</b>	<b>84.02</b>

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Fair value of plan assets at the beginning of the year	57.19	54.66
Investment income	4.85	3.64
Contributions by employer	0.59	-
Benefits paid	(35.74)	(0.55)
Return on plan assets , excluding amount recognised in net interest expense	(0.01)	(0.15)
Foreign Exchange Difference	(16.78)	-
Assets Transferred Out	(1.32)	-
Acquisition Adjustment	1,027.53	(0.41)
Fair value of plan assets at the end of the year	<b>1,036.31</b>	<b>57.19</b>

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

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Present value of the defined benefit obligation at the end of the year	1,696.31	84.02
Fair value of plan assets at the end of the year	1,036.31	57.19
<b>Amount recognised in the balance sheet</b>	<b>(660.00)</b>	<b>(26.83)</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 29 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Net asset - Current (Refer note 7)	21.99	0.84
Net asset - Non-current (Refer note 7)	955.61	-
Net liability - Current (Refer note 20)	(446.01)	(3.87)
Net liability - Non-current (Refer note 20)	(1,191.59)	(23.80)

#### iv) Expense recognised in the statement of profit and loss for the year

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Current service cost	17.82	9.02
Interest cost on benefit obligation	17.06	1.35
Amount capitalised	(0.62)	(0.57)
<b>Total Expense included in employee benefits expense</b>	<b>34.26</b>	<b>9.80</b>

#### v) Recognised in the other comprehensive income

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(0.83)	(0.79)
- change in financial assumptions	(24.85)	5.56
- experience variance	12.22	(0.73)
Amount capitalised	0.09	(0.10)
Return on plan assets, excluding amount recognised in net interest expense	0.01	0.16
<b>Recognised in other comprehensive income</b>	<b>(13.36)</b>	<b>4.10</b>

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

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.50%	6.90%
Rate of escalation in salary (per annum)	8.50%	10.00%
Mortality	India Assured Lives Mortality (2012-14)	India Assured Lives Mortality (2012-14)
Attrition rate	11.00%	9.11%

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

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

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

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

As the gratuity fund is managed by life insurance companies, details of fund invested by insurer are not available with the Group.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 29 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

#### viii) Sensitivity Analysis Method

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

#### Quantitative sensitivity analysis for significant assumption is as below

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

Particulars	March 31, 2023		March 31, 2022	
	Discount rate		Discount rate	
Assumptions				
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
	(69.24)	75.26	(5.86)	6.63

Particulars	March 31, 2023		March 31, 2022	
	Salary Growth rate		Salary Growth rate	
Assumptions				
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
	19.22	(17.68)	6.31	(5.71)

Particulars	March 31, 2023		March 31, 2022	
	Attrition rate		Attrition rate	
Assumptions				
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
Impact on defined benefit obligations	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
	(4.72)	5.69	(3.50)	5.57

Particulars	March 31, 2023		March 31, 2022	
	Mortality rate		Mortality rate	
Assumptions				
Sensitivity level	10% Increase	10% Decrease	10% Increase	10% Decrease
Impact on defined benefit obligations	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
	(0.01)	0.01	(0.02)	0.02

#### ix) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2023	March 31, 2022
Weighted average duration (based on discounted cash flows)	6 years	8 years

#### x) The Following payments are expected contributions to the defined benefit plan in future years:

Particulars	₹ In Crore	
	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting period)	192.71	8.97
Between 2 and 5 years	613.75	30.45
Between 5 and 10 years	529.62	37.91
Beyond 10 years	937.64	63.91
<b>Total Expected Payments</b>	<b>2,273.72</b>	<b>141.24</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## 29 Disclosures as required by Ind AS - 19 Employee Benefits (contd.)

The Group expects to contribute ₹207.79 crore to gratuity fund in the financial year 2023-24. ( previous year ₹28.25 crore)

### xi) Asset-Liability Matching Strategies

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

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

## 30 Segment Information

### Operating Segments

The identified reportable Segments are (i) Port and SEZ activities which includes developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure at contiguous Special Economic Zone and (ii) others in terms of Ind-AS 108 "Operating Segments" as notified under section 133 of the Companies Act 2013. Other Segment mainly includes Aircraft Operating Income, Utilities services (till previous year), Warehousing and transportation of food grains. Container Trains Services on specific Railway Routes and Multi-modal Cargo storage cum logistics services through development of Inland Container Depots at various strategic locations in terms of concession agreement from Ministry of Railways.

### Identification of Segments:

The chief operating decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

### Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

### Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, other intangible assets, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

### Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

### Summary of segment information is given below:

Particulars	Port and SEZ activities	Others	Eliminations	₹ in Crore
				Total
<b>Revenue</b>				
External Sales	<b>18,257.35</b>	<b>2,594.56</b>		<b>20,851.91</b>
	15,327.93	1,790.86		17,118.79

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 30 Segment Information (contd.)

₹ in Crore

Particulars	Port and SEZ activities	Others	Eliminations	Total
Inter-Segment Sales	<b>40.10</b>	<b>139.13</b>	<b>(179.23)</b>	-
	71.30	101.33	(172.63)	-
<b>Total Revenue</b>	<b>18,297.45</b>	<b>2,733.69</b>	<b>(179.23)</b>	<b>20,851.91</b>
	15,399.23	1,892.19	(172.63)	17,118.79
<b>Results</b>				
Segment Results	<b>8,938.69</b>	<b>65.01</b>		<b>9,003.70</b>
	6,937.35	88.17		7,025.52
Unallocated Corporate Income (Net of expenses)				<b>(2,398.21)</b>
				(705.18)
<b>Operating Profit</b>	<b>8,938.69</b>	<b>65.01</b>		<b>6,605.49</b>
	6,937.35	88.17		6,320.34
Less: Finance Expense				<b>2,362.64</b>
				2,543.92
Add: Interest Income				<b>1,246.28</b>
				1,940.72
Profit before tax				<b>5,489.13</b>
				5,717.14
Tax Expense				<b>96.38</b>
				763.96
<b>Profit after tax</b>				<b>5,392.75</b>
				4,953.18
Less: Non-controlling Interest				<b>82.57</b>
				67.15
<b>Net profit</b>				<b>5,310.18</b>
				4,886.03
<b>Other Information</b>				
Segment Assets	<b>73,367.27</b>	<b>17,928.53</b>		<b>91,295.80</b>
	69,067.50	15,571.58		84,639.08
Unallocated Corporate Assets				<b>21,668.07</b>
				13,148.26
Assets Held for sale				<b>1,941.26</b>
				1,898.48
<b>Total Assets</b>				<b>1,14,905.13</b>
				99,685.82
Segment Liabilities	<b>10,148.24</b>	<b>1,245.28</b>		<b>11,393.52</b>
	7,020.21	510.93		7,531.14
Unallocated Corporate Liabilities				<b>55,068.06</b>
				49,468.33
Liabilities associated with Assets Held for Sale				<b>1,521.46</b>
				305.36
<b>Total liabilities</b>				<b>67,983.04</b>
				57,304.83
Capital Expenditure during the year	<b>7,179.58</b>	<b>1,945.20</b>		<b>9,124.78</b>
	3,634.03	179.67		3,813.70

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 30 Segment Information (contd.)

₹ in Crore

Particulars	Port and SEZ activities	Others	Eliminations	Total
Segment Depreciation and amortisation	<b>2,780.01</b>	<b>643.23</b>		<b>3,423.24</b>
	<i>2,629.75</i>	<i>469.55</i>		<i>3,099.30</i>
Major Non-Cash Expenses other than Depreciation and amortisation (net)	<b>1,253.93</b>			<b>1,253.93</b>
	<i>420.88</i>			<i>420.88</i>
Unallocated Major Non-Cash Expenses other than Depreciation and amortisation (net)				<b>2,527.76</b>
				<i>917.91</i>
Impairment loss recognised in Profit or loss	<b>1,273.38</b>	-		<b>1,273.38</b>
	-	-		-

Previous year figures are in italics

#### Additional information regarding the Company's geographical segments:

₹ in Crore

Sr No	Particulars	Revenue from External Customers		Non Current Assets	
		For the year ended March 31, 2023	For the year ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
1	India	19,537.40	16,479.10	78,842.12	67,508.70
2	Outside India	1,314.51	639.69	5,148.14	1,366.48

There is no transaction with single external customer which amounts to 10% or more of the Group's revenue.

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/Step down companies as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2023	Proportion of Ownership Interest (%) March 31, 2022
1	Adani Logistics Limited	India	100	100
2	Karnavati Aviation Private Limited	India	100	100
3	Mundra SEZ Textile and Apparel Park Private Limited	India	55.28	55.28
4	Adani Murmugao Port Terminal Private Limited	India	100	100
5	Mundra International Airport Private Limited	India	100	100
6	Adani Hazira Port Limited (Formerly known as Adani Hazira Port Private Limited)	India	100	100
7	Adani Petronet (Dahej) Port Limited (Formerly known as Adani Petronet (Dahej) Port Private Limited)**	India	74	74
8	Hazira Infrastructure Limited (Formerly known as Hazira Infrastructure Private Limited)	India	100	100
9	Madurai Infrastructure Private Limited	India	100	100
10	Adani Vizag Coal Terminal Private Limited	India	100	100
11	Adani Kandla Bulk Terminal Private Limited (refer note (a) below)	India	100	100
12	Adani Warehousing Services Private Limited	India	100	100
13	Adani Ennore Container Terminal Private Limited	India	100	100

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/Step down companies as at year end is as follows: (contd.)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2023	Proportion of Ownership Interest (%) March 31, 2022
14	Adani Hospitals Mundra Private Limited	India	100	100
15	The Dhamra Port Company Limited	India	100	100
16	Shanti Sagar International Dredging Limited (Formerly known as Shanti Sagar International Dredging Private Limited)	India	100	100
17	Abbot Point Operations Pty Limited	Australia	100	100
18	Adani Vizhinjam Port Private Limited	India	100	100
19	Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)	India	100	100
20	Abbot Point Bulkcoal Pty Limited	Australia	100	100
21	The Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Private Limited)	India	100	100
22	Dholera Infrastructure Private Limited (refer note 2.4)	India	49	49
23	Dholera Port and Special Economic Zone Limited (refer note 2.4)	India	49	49
24	Adinath Polyfills Private Limited	India	100	100
25	Adani Ports Technologies Private Limited (Formerly known as Mundra International Gateway Terminal Private Limited)	India	100	100
26	Coastal International Terminals Pte. Limited (Formerly known as Adani International Terminals Pte. Limited) (refer note 40(ii))	Singapore	100	100
27	Blue Star Realtors Limited (Formerly known as Blue Star Realtors Private Limited)	India	100	100
28	Mundra Crude Oil Terminal Private Limited (Formerly known as Adani Bhavanapadu Port Private Limited)	India	100	100
29	Marine Infrastructure Developer Private Limited	India	97	97
30	Anchor Port Holding Pte. Limited (Formerly known as Adani Mundra Port Holding Pte. Limited)	Singapore	100	100
31	Pearl Port Pte. Limited (Formerly known as Adani Mundra Port Pte. Limited)	Singapore	100	100
32	Noble Port Pte. Limited (Formerly known as Adani Abbot Port Pte. Limited)	Singapore	100	100
33	Adani Yangon International Terminal Company Limited (refer note 40(ii))	Myanmar	100	100
34	Dermot Infracon Private Limited	India	100	100
35	Adani Agri Logistics Limited	India	100	100
36	Adani Agri Logistics (MP) Limited	India	100	100
37	Adani Agri Logistics (Harda) Limited	India	100	100
38	Adani Agri Logistics (Hoshangabad) Limited	India	100	100

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/Step down companies as at year end is as follows: (contd.)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2023	Proportion of Ownership Interest (%) March 31, 2022
39	Adani Agri Logistics (Satna) Limited	India	100	100
40	Adani Agri Logistics (Ujjain) Limited	India	100	100
41	Adani Agri Logistics (Dewas) Limited	India	100	100
42	Adani Agri Logistics (Katihar) Limited	India	100	100
43	Adani Agri Logistics (Kotkapura) Limited	India	100	100
44	Adani Agri Logistics (Kannauj) Limited	India	100	100
45	Adani Agri Logistics (Panipat) Limited	India	100	100
46	Adani Agri Logistics (Raman) Limited	India	100	100
47	Adani Agri Logistics (Nakodar) Limited	India	100	100
48	Adani Agri Logistics (Barnala) Limited	India	100	100
49	Adani Bulk Terminals (Mundra) Limited (Formerly known as Adani Agri Logistics (Bathinda) Limited)	India	100	100
50	Adani Agri Logistics (Mansa) Limited	India	100	100
51	Adani Agri Logistics (Moga) Limited	India	100	100
52	Adani Warehousing Limited (Formerly known as Adani Agri Logistics (Borivali) Limited)	India	100	100
53	Adani Agri Logistics (Dahod) Limited	India	100	100
54	Adani Agri Logistics (Dhamora) Limited	India	100	100
55	Adani Agri Logistics (Samastipur) Limited	India	100	100
56	Adani Agri Logistics (Darbhanga) Limited	India	100	100
57	Dhamra Infrastructure Private Limited (formerly known as Welspun Orissa Steel Private Limited)	India	100	100
58	Adani Logistics Services Private Limited (Formerly known as Innovative B2B Logistics Solutions Private Limited)	India	98.40	98.40
59	Adani Noble Private Limited (Formerly known as Noble Tradecon Private Limited)	India	98.40	98.40
60	Adani Forwarding Agent Private Limited (Formerly known as B2B Forwarding Agent Private Limited) (refer note 39(i)(4))	India	100	98.40
61	Adani Container Manufacturing Limited (Formerly known as Adani Cargo Logistics Limited)	India	100	98.40
62	Adani Logistics Infrastructure Private Limited (Formerly known as Minion Infrastructure Private Limited)	India	98.40	98.40
63	Adani Container Terminal Limited (Formerly known as Adani Pipelines Private Limited)	India	100	100
64	Adani Bangladesh Ports Private Limited	Bangladesh	100	100
65	Adani Krishnapatnam Port Limited (Formerly known as Krishnapatnam Port Company Limited)	India	100	100

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/Step down companies as at year end is as follows: (contd.)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2023	Proportion of Ownership Interest (%) March 31, 2022
66	Adani Krishnapatnam Container Terminal Private Limited (Formerly known as Navayuga Container Terminal Private Limited)	India	100	100
67	Dighi Port Limited	India	100	100
68	Adani Logistics International Pte. Limited (upto July 28, 2022)	Singapore	-	100
69	Aqua Desilting Private Limited	India	100	100
70	Shankheshwar Buildwell Private Limited	India	100	100
71	Sulochana Pedestal Private Limited	India	100	100
72	NRC Limited	India	100	100
73	Adani International Ports Holdings Pte. Limited (incorporated on June 16, 2021)	Singapore	100	100
74	AYN Logistics Infra Private Limited (acquired on May 04, 2021)	India	100	100
75	Adani Gangavaram Port Limited (Formerly known as Adani Gangavaram Port Private Limited) (refer note 39(i)(1))	India	100	100
76	Adani Tracks Management Services Limited (Formerly known as Sarguja Rail Corridor Private Limited) (Acquired effectively from April 01, 2021)	India	100	100
77	Seabird Distriparks (Krishnapatnam) Private Limited (acquired on January 29, 2022)	India	100	100
78	HDC Bulk Terminal Limited (incorporated on March 07, 2022)	India	100	100
79	Mundra Solar Technopark Private Limited (acquired on March 30, 2022) (refer note 2.4)	India	49	49
80	Colombo West International Terminal (Private) Limited (incorporated on April 28, 2021)	Sri Lanka	51	51
81	Savi Jana Sea Foods Private Limited (acquired on May 10, 2022) (refer note 39(i)(3))	India	100	N.A.
82	Ocean Sparkle Limited (acquired on May 10, 2022) (refer note 39(i)(3))	India	98.52	N.A.
83	Sparkle Terminal and Towage Services Limited (acquired on May 10, 2022)	India	98.52	N.A.
84	Sea Sparkle Harbour Services Limited (acquired on May 10, 2022)	India	98.52	N.A.
85	Sparkle Port Services Limited (acquired on May 10, 2022)	India	98.52	N.A.
86	Sparkle Overseas Pte. Limited (acquired on May 10, 2022)	Singapore	98.52	N.A.
87	Saptati Build Estate Private Limited (acquired on May 04, 2022) (refer note 39(ii))	India	100	N.A.
88	Adani Aviation Fuels Limited (incorporated on September 29, 2022)	India	100	N.A.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/Step down companies as at year end is as follows: (contd.)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2023	Proportion of Ownership Interest (%) March 31, 2022
89	Mundra LPG Terminal Private Limited (w.e.f. April 30, 2022) (refer note 39(i)(2) and 2.4)	India	48.97	N.A.
90	Gangavaram Port Services (India) Private Limited (refer note 39(i)(1))	India	100	100
91	Sparkle Marine Company Limited (acquired on May 10, 2022) (Struck off)	Saudi Arabia	-	N.A.
92	Tajpur Sagar Port Limited (incorporated on October 21, 2022)	India	100	N.A.
93	Mediterranean International Ports A.D.G.D. Limited (incorporated on November 13, 2022)	Israel	70	N.A.
94	Adani Agri Logistics (Sandila) Limited (incorporated on November 18, 2022)	India	100	N.A.
95	Adani Agri Logistics (Gonda) Limited (incorporated on November 22, 2022)	India	100	N.A.
96	Adani Agri Logistics (Chandari) Limited (incorporated on November 21, 2022)	India	100	N.A.
97	Adani Agri Logistics Katihar Two Limited (incorporated on November 21, 2022)	India	100	N.A.
98	The Adani Harbour International DMCC (incorporated on December 22, 2022)	United Arab Emirates	100	N.A.
99	Haifa Port Company Limited (w.e.f. January 10, 2023) (refer note 39(i)(5))	Israel	70	N.A.
100	Port Harbour Services International Pte. Limited (incorporated on February 01, 2023)	Singapore	100	N.A.
101	HM Agri Logistics Limited (incorporated on February 28, 2023)	India	100	N.A.
102	PU Agri Logistics Limited (incorporated on February 25, 2023)	India	100	N.A.
103	BU Agri Logistics Limited (incorporated on March 11, 2023)	India	100	N.A.
104	Karaikal Port Private Limited (w.e.f. March 31, 2023)	India	Refer Note 52	N.A.

### Adani Ports and Special Economic Zone Limited's share in the voting power in joint venture and associate entities as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2023	Proportion of Ownership Interest (%) March 31, 2022
1	Adani International Container Terminal Private Limited	India	50	50
2	Adani CMA Mundra Terminal Private Limited	India	50	50
3	Adani NYK Auto Logistics Solutions Private Limited	India	51	51
4	Adani Total Private Limited	India	50	50
5	Dhamra LNG Terminal Private Limited	India	50	50

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/Step down companies as at year end is as follows: (contd.)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2023	Proportion of Ownership Interest (%) March 31, 2022
6	Total Adani Fuels Marketing Private Limited (Struck off)	India	-	50
7	Dighi Roha Rail Limited	India	50	50
8	Adani KP Agriwarehousing Private Limited (Formerly known as Krishnapatnam AgriWarehousing Company Private Limited) (w.e.f January 01, 2022)* (refer note 2.4)	India	74	74
9	EZR Technologies Private Limited (incorporated on December 14, 2021)	India	51	51
10	Mundra LPG Terminal Private Limited (w.e.f. February 24, 2022 to April 29, 2022)	India	-	48.97
11	Khimji Sparkle Marine Services Co. SOAC (w.e.f May 10, 2022)	Oman	48.27	N.A.
12	Indianoil Adani Ventures Limited (Formerly known as Indian Oiltanking Limited) (w.e.f. February 01, 2023) (refer note 39(iii))	India	49.38	N.A.
13	IOT Utkarsh Limited (w.e.f. February 01, 2023)	India	49.38	N.A.
14	IAV Engineering Projects Limited (w.e.f. February 01, 2023)	India	49.38	N.A.
15	IAV Engineering & Construction Services Limited (w.e.f. February 01, 2023)	India	49.38	N.A.
16	IOT Infrastructures Private Limited (w.e.f. February 01, 2023)	India	49.38	N.A.
17	IOT Biogas Private Limited (w.e.f. February 01, 2023)	India	49.38	N.A.
18	Kazakhstancaspishelf India Private Limited (w.e.f. February 01, 2023)	India	49.38	N.A.
19	IOT Utkal Energy Services Limited (w.e.f. February 01, 2023) (refer note 39(iii))	India	45.34	N.A.
20	Zuari Indian Oiltanking Private Limited (w.e.f. February 01, 2023)	India	24.69	N.A.
21	Katoen Natie IOT Private Limited (w.e.f. February 01, 2023)	India	24.20	N.A.
22	IOT Vito Muhendislik Insaat ve Taahhut AS (w.e.f. February 01, 2023)	Turkey	34.57	N.A.
23	Indian Oiltanking Engineering and Construction Services LLC (w.e.f. February 01, 2023)	Oman	34.57	N.A.
24	PT IOT EPC Indonesia (w.e.f. February 01, 2023)	Indonesia	32.92	N.A.
25	JSC Kazakhstancapishelf (w.e.f. February 01, 2023)	Kazakhstan	27.98	N.A.

\* Accounted using equity method w.e.f January 01, 2022.

\*\* The Company has power over the entity and ability to affect its return and hence considered it as subsidiary.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/Step down companies as at year end is as follows: (contd.)

#### Note a) :

During the year 2016-17, the Company had accounted for purchase of 3,12,13,000 numbers of equity shares of Adani Kandla Bulk Terminal Private Limited at consideration of ₹ 31.21 crore. The equity shares have been purchased from the Adani Enterprises Limited, a group company whereby this entity has become a wholly owned subsidiary. As per the management, the transfer has been recorded based on Irrevocable Letter of Affirmation dated March 31, 2017 from the seller and acceptance by the Company although legal transfer of equity share of Adani Kandla Bulk Terminal Private Limited is still in process at year end.

### 32 Related Party Disclosures

#### Related parties with whom transactions have taken place.

<b>Joint Venture &amp; Associate Entities</b>	Adani International Container Terminal Private Limited
	Adani CMA Mundra Terminal Private Limited
	Adani NYK Auto Logistics Solutions Private Limited
	Adani Total Private Limited
	Dhamra LNG Terminal Private Limited
	Mundra LPG Terminal Private Limited (w.e.f. February 24, 2022 to April 29, 2022)
	Adani KP Agriwarehousing Private Limited (w.e.f January 01, 2022)
<b>Key Managerial Personnel and their relatives</b>	Mr. Gautam S. Adani - Chairman and Managing Director
	Mr. Rajesh S. Adani - Director
	Mr. Karan G. Adani - Whole-time Director & Chief Executive Officer
	Dr. Malay Mahadevia - Wholetime Director (upto May 31, 2021), Director (w.e.f June 01, 2021)
	Prof. G. Raghuram - Independent Non-Executive Director
	Mr. Gopal Krishna Pillai - Independent Non-Executive Director
	Mrs. Nirupama Rao - Independent Non-Executive Director
	Mr. Bharat Sheth - Independent Non-Executive Director
	Mr. Palamadai Sundararajan Jayakumar - Independent Non-Executive Director
	Mrs. Avantika Singh Aulakh IAS, Nominee Director (upto September 20, 2022)
	Mr. Deepak Maheshwari - Chief Financial Officer (upto May 05, 2021)
	Mr. D. Muthukumaran - Chief Financial Officer (w.e.f July 19, 2022)
	Mr. Ranjith Sinh Barad, IAS, Nominee Director (w.e.f December 21, 2022)
Mr. Kamlesh Bhagia - Company Secretary	
<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting power</b>	ACC Limited
	Adani Agri Fresh Limited
	Adani Airport Holdings Limited
	Adani Australia Pty Limited
	Adani Brahma Synergy Private Limited
	Adani Bunkering Private Limited
	Adani Capital Private Limited
	Adani Cement Industries Limited
	Adani Cementation Limited
	Adani Defence Systems And Technologies Limited

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting power</b>	Adani Dhamra LPG Terminal Private Limited
	Adani Digital Lab Private Limited
	Adani Electricity Mumbai Limited
	Adani Enterprises Limited
	Adani Estate Management Private Limited
	Adani Estates Private Limited
	Adani Foundation
	Adani Global FZE, Dubai.
	Adani Global Pte. Limited
	Adani Green Energy Limited
	Adani Green Energy Twenty Six Limited
	Adani Green Technology Limited
	Adani Infra (India) Limited
	Adani Infrastructure and Developers Private Limited
	Adani Infrastructure Management Services Limited
	Adani Institute for Education and Research
	Adani Mining Pty Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Adani Petrochemicals Limited
	Adani Power (Mundra) Limited (Upto March 06, 2023)
	Adani Power Limited
	Adani Power Maharashtra Limited (Upto March 06, 2023)
	Adani Power Rajasthan Limited (Upto March 06, 2023)
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Renewable Energy (KA) Limited
	Adani Road Transport Limited
	Adani Skill Development Centre
	Adani Social Development Foundation
	Adani Solar USA LLC, USA
	Adani Sportsline Private Limited
	Adani Total Gas Limited
	Adani Township & Real Estate Company Private Limited
	Adani Transmission (India) Limited
	Adani Transmission Limited
	Adani Water Limited
	Adani Wilmar Limited
	AdaniConnex Private Limited
	AGNEL Developers
	Ahmedabad International Airport Limited
	Alton Buildtech India Private Limited
	Ambuja Cements Limited
	Astraeus Services IFSC Limited
	Bailadila Iron Ore Mining Private Limited
	Belvedere Golf and Country Club Private Limited

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Company has control / joint control / significant influence through voting power</b>	Bowen Rail Company Pty Limited
	Brahmi Track Management Services Private Limited
	Delhi Golf Link Properties Private Limited
	Esteem Constructions Private Limited
	Gare Palma II Collieries Private Limited
	Gare Pelma III Collieries Limited
	Gujarat Adani Institute of Medical Science
	Guwahati International Airport Limited
	Jaipur International Airport Limited
	Jash Energy Private Limited
	Kurmitar Iron Ore Mining Private Limited
	Kutch Copper Limited
	Lucknow International Airport Limited
	Mahan Energen Limited
	Mahanadi Mines and Minerals Private Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	Mangaluru International Airport Limited
	MP Natural Resources Private Limited
	MPSEZ Utilities Limited (w.e.f December 16, 2021)
	Mumbai International Airport Limited
	Mundra LPG Terminal Private Limited (upto February 23, 2022)
	Mundra Petrochem Limited
	Mundra Solar Energy Limited
	Mundra Solar PV Limited
	Mundra Solar Technology Limited
	Mundra Solar Technopark Private Limited (upto March 29, 2022)
	Mundra WindTech Limited
	Navi Mumbai International Airport Private Limited
	North Star Diagnostics Private Limited
	Parsa Kente Collieries Limited
	Raigarh Energy Generation Limited (Upto March 06, 2023)
	Raipur Energen Limited (Upto March 06, 2023)
	Resurgent Fuel Management Limited
	Shantigram Utility Services Private Limited
	Stratatech Mineral Resources Private Limited
	Sunanda Agri-Trade Private Limited
	Talabira (Odisha) Mining Private Limited
	Thar Power Transmission Service Limited
	TRV (Kerala) International Airport Limited
	Udupi Power Corporation Limited (Upto March 06, 2023)
Vishakha Glass Private Limited	
Vishakha Metals Private Limited	
Vishakha Renewables Private Limited	
Vishakha Solar Films Private Limited	
Wardha Solar (Maharashtra) Private Limited	

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

#### Terms and conditions of transactions with related parties

Outstanding balances of the related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

#### Note:

The names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

Aggregate of transactions for the year ended and balances thereof with these parties have been given below

#### (A) Transactions with Related Parties

₹ in Crore

Sr No	Particulars	With Joint Ventures/ Associates		With Other Entities*		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>1</b>	<b>Income from Port Services / Other Operating Income</b>	<b>763.34</b>	<b>661.91</b>	<b>2,247.80</b>	<b>1,443.52</b>	-	-
	Adani Enterprises Limited	-	-	1,659.36	1,009.39	-	-
	Adani International Container Terminal Private Limited	520.60	464.21	-	-	-	-
	Adani Power (Mundra) Limited	-	-	238.71	256.05	-	-
	Others	242.74	197.70	349.73	178.08	-	-
<b>2</b>	<b>Sale Of Non Financial Assets</b>	-	-	<b>6.46</b>	-	-	-
	Adani Cement Industries Limited	-	-	6.46	-	-	-
<b>3</b>	<b>Lease including Infrastructure Usage Income/ Upfront Premium (Includes Reversal)</b>	<b>31.76</b>	<b>731.00</b>	<b>221.34</b>	<b>63.81</b>	-	-
	Dhamra LNG Terminal Private Limited	16.65	679.83	-	-	-	-
	Mundra WindTech Limited	-	-	178.70	-	-	-
	Others	15.11	51.17	42.64	63.81	-	-
<b>4</b>	<b>Interest Income on loans/ deposits/ deferred accounts receivable</b>	<b>30.38</b>	<b>46.55</b>	<b>20.26</b>	<b>93.54</b>	-	-
	Adani Bunkering Private Limited	-	-	-	18.89	-	-
	Adani CMA Mundra Terminal Private Limited	13.60	11.94	-	-	-	-
	Adani International Container Terminal Private Limited	16.06	32.13	-	-	-	-
	Adani Power (Mundra) Limited	-	-	20.25	21.23	-	-
	Adani Properties Private Limited	-	-	-	53.39	-	-
	Others	0.72	2.48	0.01	0.03	-	-
<b>5</b>	<b>Purchase of Spares and consumables, Power &amp; Fuel</b>	<b>0.05</b>	<b>0.10</b>	<b>250.42</b>	<b>139.87</b>	-	-
	Adani Bunkering Private Limited	-	-	49.86	120.12	-	-
	Adani Global Pte. Limited	-	-	109.96	-	-	-
	MPSEZ Utilities Limited	-	-	81.25	15.42	-	-
	Others	0.05	0.10	9.35	4.33	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Joint Ventures/ Associates		With Other Entities*		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>6</b>	<b>Recovery of expenses (Reimbursement)</b>	<b>20.63</b>	<b>40.75</b>	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	4.60	9.09	-	-	-	-
	Adani International Container Terminal Private Limited	16.01	31.66	-	-	-	-
	Others	0.02	-	-	-	-	-
<b>7</b>	<b>Services Availed (including reimbursement of expenses)</b>	-	<b>3.29</b>	<b>316.07</b>	<b>97.36</b>	-	-
	Adani Enterprises Limited	-	-	152.34	61.56	-	-
	Adani Power (Mundra) Limited	-	-	26.72	23.08	-	-
	Adani Sportsline Private Limited	-	-	60.00	-	-	-
	Astraeus Services IFSC Limited	-	-	36.64	-	-	-
	Others	-	3.29	40.37	12.72	-	-
<b>8</b>	<b>Rent charges paid</b>	<b>3.00</b>	<b>3.00</b>	<b>14.22</b>	<b>14.34</b>	-	-
	Adani Estate Management Private Limited	-	-	4.35	4.35	-	-
	Adani KP Agriwarehousing Private Limited	3.00	3.00	-	-	-	-
	Adani Properties Private Limited	-	-	9.60	9.59	-	-
	Others	-	-	0.27	0.40	-	-
<b>9</b>	<b>Sales of Scrap and other Miscellaneous Income</b>	<b>4.84</b>	<b>1.84</b>	<b>52.69</b>	<b>57.36</b>	-	-
	Adani Enterprises Limited	-	-	18.82	18.48	-	-
	Adani Green Energy Limited	-	-	10.40	7.97	-	-
	Others	4.84	1.84	23.47	30.91	-	-
<b>10</b>	<b>Loans Given</b>	<b>9.20</b>	<b>2.64</b>	-	<b>759.48</b>	-	-
	Adani NYK Auto Logistics Solutions Private Limited	8.88	2.64	-	-	-	-
	Adani Properties Private Limited	-	-	-	742.48	-	-
	Others	0.32	-	-	17.00	-	-
<b>11</b>	<b>Loans Received Back</b>	<b>276.92</b>	<b>296.56</b>	-	<b>954.88</b>	-	-
	Adani International Container Terminal Private Limited	266.09	226.45	-	-	-	-
	Adani Properties Private Limited	-	-	-	942.48	-	-
	Others	10.83	70.11	-	12.40	-	-
<b>12</b>	<b>Loans Taken</b>	-	-	-	<b>188.35</b>	-	-
	Adani Mining Pty Limited	-	-	-	188.35	-	-
<b>13</b>	<b>Loans Repaid</b>	-	-	-	<b>840.05</b>	-	-
	Adani Rail Infra Private Limited	-	-	-	832.33	-	-
	Others	-	-	-	7.72	-	-
<b>14</b>	<b>Interest Expenses</b>	-	-	<b>0.01</b>	<b>105.80</b>	-	-
	Adani Properties Private Limited	-	-	0.01	30.51	-	-
	Adani Rail Infra Private Limited	-	-	-	75.23	-	-
	Others	-	-	-	0.06	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Joint Ventures/ Associates		With Other Entities*		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>15</b>	<b>Advance / Deposit Given</b>	-	-	<b>6.33</b>	<b>32.88</b>	-	-
	Adani Estate Management Private Limited	-	-	-	32.83	-	-
	Astraeus Services IFSC Limited	-	-	6.29	-	-	-
	Others	-	-	0.04	0.05	-	-
<b>16</b>	<b>Advance / Deposit Received Back</b>	-	-	<b>4.73</b>	<b>246.31</b>	-	-
	Adani Bunkering Private Limited	-	-	-	231.19	-	-
	Adani Estate Management Private Limited	-	-	4.70	5.12	-	-
	Others	-	-	0.03	10.00	-	-
<b>17</b>	<b>Advance / Deposit Taken</b>	-	-	<b>-*</b>	<b>6.83</b>	-	-
	Adani Power Maharashtra Limited	-	-	-	0.77	-	-
	Adani Wilmar Limited	-	-	-	5.20	-	-
	MPSEZ Utilities Limited	-	-	-*	-	-	-
	Others	-	-	-	0.86	-	-
<b>18</b>	<b>Investment in equity/preference shares</b>	<b>3.06</b>	<b>634.47</b>	-	-	-	-
	Adani Total Private Limited	-	634.47	-	-	-	-
	Adani NYK Auto Logistics Solutions Private Limited	3.06	-	-	-	-	-
<b>19</b>	<b>Purchase of Subsidiaries</b>	-	-	-	<b>1.88</b>	-	-
	Adani Green Technology Limited	-	-	-	1.88	-	-
<b>20</b>	<b>Issue of Equity Shares against Composite Scheme of Arrangement</b>	-	-	-	<b>4,768.22</b>	-	-
	Adani Rail Infra Private Limited	-	-	-	4,768.22	-	-
<b>21</b>	<b>Sale of Investment</b>	-	-	-	<b>116.31</b>	-	-
	Adani Transmission Limited	-	-	-	116.27	-	-
	Others	-	-	-	0.04	-	-
<b>22</b>	<b>Redemption of Non Convertible Debenture</b>	-	-	<b>579.00</b>	-	-	-
	Adani Properties Private Limited	-	-	579.00	-	-	-
<b>23</b>	<b>Donation</b>	-	-	<b>89.81</b>	<b>72.88</b>	-	-
	Adani Foundation	-	-	82.05	72.88	-	-
	Others	-	-	7.76	-	-	-
<b>24</b>	<b>Sale of Assets</b>	-	-	<b>6.74</b>	<b>3.04</b>	-	-
	Adani Total Gas Limited	-	-	6.73	3.04	-	-
	Others	-	-	0.01	-	-	-
<b>25</b>	<b>Sale of Material</b>	<b>-*</b>	<b>0.01</b>	<b>0.23</b>	<b>2.21</b>	-	-
	Adani Power Maharashtra Limited	-	-	0.15	-	-	-
	Adani Power Rajasthan Limited	-	-	0.03	0.02	-	-
	Kurmitar Iron Ore Mining Private Limited	-	-	-	2.16	-	-
	Others	-*	0.01	0.05	0.03	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Joint Ventures/ Associates		With Other Entities*		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>26</b>	<b>Purchase of property/asset/land use rights</b>	-	-	<b>7.15</b>	<b>26.00</b>	-	-
	Adani Estate Management Private Limited	-	-	-	14.69	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	-	11.31	-	-
	Mundra Solar Energy Limited	-	-	4.39	-	-	-
	Mundra Solar PV Limited	-	-	2.76	-	-	-
<b>27</b>	<b>Remuneration #</b>	-	-	-	-	<b>11.20</b>	<b>10.35</b>
	<b>Short-term employee benefits**</b>						
	Mr. Gautam S. Adani	-	-	-	-	1.80	1.80
	Mr. Karan G. Adani	-	-	-	-	4.64	3.83
	Mr. Deepak Maheshwari	-	-	-	-	-	3.02
	Mr. D. Muthukumaran	-	-	-	-	3.26	-
	Others	-	-	-	-	0.47	1.04
	<b>Other long-term benefits</b>						
	Others	-	-	-	-	0.01	0.01
	<b>Post-employment benefits</b>						
	Mr. Karan G. Adani	-	-	-	-	0.75	0.57
	Mr. Deepak Maheshwari	-	-	-	-	-	0.03
	Mr. D. Muthukumaran	-	-	-	-	0.23	-
	Others	-	-	-	-	0.04	0.05
<b>28</b>	<b>Commission to Director</b>	-	-	-	-	<b>2.80</b>	<b>2.80</b>
	Mr. Gautam S. Adani	-	-	-	-	2.80	2.80
<b>29</b>	<b>Commission to Non-Executive Director</b>	-	-	-	-	<b>1.00</b>	<b>1.00</b>
	Mr. Bharat Sheth	-	-	-	-	0.20	0.20
	Mr. Gopal Krishna Pillai	-	-	-	-	0.20	0.20
	Mr. Palamadai Sundararajan Jayakumar	-	-	-	-	0.20	0.20
	Mrs. Nirupama Rao	-	-	-	-	0.20	0.20
	Prof. G. Raghuram	-	-	-	-	0.20	0.20
<b>30</b>	<b>Sitting Fees</b>	-	-	-	-	<b>0.45</b>	<b>0.55</b>
	Dr. Malay Mahadevia	-	-	-	-	0.04	0.08
	Mr. Gopal Krishna Pillai	-	-	-	-	0.11	0.12
	Mr. Palamadai Sundararajan Jayakumar	-	-	-	-	0.08	0.08
	Mr. Rajesh S. Adani	-	-	-	-	0.03	0.08
	Mrs. Nirupama Rao	-	-	-	-	0.05	0.05
	Prof. G. Raghuram	-	-	-	-	0.10	0.10
	Mr. Bharat Sheth	-	-	-	-	0.04	0.04
<b>31</b>	<b>Corporate Guarantee Given</b>						
	Adani CMA Mundra Terminal Private Limited	USD 50 Mn	USD 75 Mn	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	-	480.00	-	-	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Joint Ventures/ Associates		With Other Entities*		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>32</b>	<b>Corporate Guarantee Received</b>	-	-	-	<b>900.00</b>	-	-
	Adani Properties Private Limited	-	-	-	900.00	-	-
<b>33</b>	<b>Corporate Guarantee Released</b>	-	-	<b>900.00</b>	<b>965.38</b>	-	-
	Adani Properties Private Limited	-	-	900.00	-	-	-
	Brahmi Track Management Services Private Limited	-	-	-	965.38	-	-

-\* Figures being nullified on conversion to ₹ in crore.

# It does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified.

\*\* Includes payment of variable pay related to previous year.

### (B) Balances with Related Parties

₹ in Crore

Sr No	Particulars	With Joint Ventures/ Associates		With Other Entities*		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>1</b>	<b>Trade Receivable (net of bills discounted, refer note 5 (c))</b>	<b>64.46</b>	<b>134.63</b>	<b>1,046.12</b>	<b>455.04</b>	-	-
	Adani Enterprises Limited	-	-	508.77	122.39	-	-
	Adani Power (Mundra) Limited	-	-	-	225.94	-	-
	Adani Power Limited	-	-	222.78	0.83	-	-
	Mundra WindTech Limited	-	-	171.45	0.13	-	-
	Others	64.46	134.63	143.12	105.75	-	-
<b>2</b>	<b>Loans</b>	<b>307.03</b>	<b>546.18</b>	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	300.33	277.02	-	-	-	-
	Adani International Container Terminal Private Limited	-	260.83	-	-	-	-
	Others	6.70	8.33	-	-	-	-
<b>3</b>	<b>Capital Advances</b>	-	-	<b>9.03</b>	<b>13.19</b>	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	9.03	13.19	-	-
<b>4</b>	<b>Trade Payable (including Provisions)</b>	<b>1.85</b>	<b>1.53</b>	<b>110.28</b>	<b>73.40</b>	-	-
	Adani Bunkering Private Limited	-	-	5.91	8.76	-	-
	Adani Enterprises Limited	-	-	46.47	16.24	-	-
	Adani Power (Mundra) Limited	-	-	-	32.68	-	-
	Adani Power Limited	-	-	43.77	-	-	-
	Others	1.85	1.53	14.13	15.72	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

₹ in Crore

Sr No	Particulars	With Joint Ventures/ Associates		With Other Entities*		Key Managerial Personnel and their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>5</b>	<b>Advances and Deposits from Customer/ Sale of Assets</b>	<b>0.56</b>	<b>0.54</b>	<b>5.81</b>	<b>13.10</b>	-	-
	Adani Enterprises Limited	-	-	1.85	1.85	-	-
	Adani Wilmar Limited	-	-	2.01	7.08	-	-
	Others	0.56	0.54	1.95	4.17	-	-
<b>6</b>	<b>Other Financial &amp; Non-Financial Assets</b>	<b>25.91</b>	<b>85.48</b>	<b>534.70</b>	<b>485.89</b>	-	-
	Adani Estate Management Private Limited	-	-	63.04	67.71	-	-
	Adani Power (Mundra) Limited	-	-	-	112.20	-	-
	Adani Power Limited	-	-	144.77	-	-	-
	Adani Properties Private Limited	-	-	135.98	135.98	-	-
	Delhi Golf Link Properties Private Limited	-	-	100.00	100.00	-	-
	Others	25.91	85.48	90.91	70.00	-	-
<b>7</b>	<b>Other Financial &amp; Non-Financial Liabilities</b>	-	<b>12.00</b>	<b>17.69</b>	<b>19.13</b>	-	-
	Adani Enterprises Limited	-	-	1.04	4.16	-	-
	Adani Mundra SEZ Infrastructure Private Limited	-	-	2.13	12.06	-	-
	Adani Power Limited	-	-	2.11	-	-	-
	Adani Wilmar Limited	-	-	5.20	-*	-	-
	Dhamra LNG Terminal Private Limited	-	12.00	-	-	-	-
	MPSEZ Utilities Limited	-	-	6.70	0.01	-	-
	Others	-	-	0.51	2.90	-	-
<b>8</b>	<b>Corporate Guarantee Given</b>	-	-	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	USD 67.54 Mn	USD 59.02 Mn	-	-	-	-
	Adani CMA Mundra Terminal Private Limited	178.07	446.80	-	-	-	-
	Dhamra LNG Terminal Private Limited	USD 307.26 Mn	USD 256.06 Mn	-	-	-	-
	Dhamra LNG Terminal Private Limited	204.85	117.68	-	-	-	-
<b>9</b>	<b>Corporate Guarantee Taken</b>	-	-	-	<b>900.00</b>	-	-
	Adani Properties Private Limited	-	-	-	900.00	-	-

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

#### Notes:

- a) The Group has allowed to some of its joint venture entities to avail non fund based facilities out of its credit facilities. The aggregate of such transaction amounts to ₹0.66 crore (Previous year ₹0.66 crore).

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 32 Related Party Disclosures (contd.)

- b) Pass through transactions/payable relating to railway freight, water front charges and other payable to third parties have not been considered for the purpose of related party disclosure.
- c) The Loans and ICDs of ₹183 crore (previous year ₹1,327.65 crore) as at the balance sheet date are guaranteed by Adani Properties Private Limited, a promoter group company and a related party.
- d) Pursuant to the amalgamation of Adani Power Maharashtra Limited, Adani Power Rajasthan Limited, Udupi Power Corporation Limited, Raigarh Energy Generation Limited, Raipur Energen Limited and Adani Power (Mundra) Limited with Adani Power Limited, the Group has disclosed the closing balances as on March 31, 2023 of above amalgamated companies as closing balances of Adani Power Limited.
- e) Above disclosure excludes payment made to Karaikal Port Private Limited w.r.t order passed by the National Company Law Tribunal ("NCLT") on March 31, 2023 (refer note 52).
- f) Transactions/balances with related party having value equal to / exceeding 10% of total transactions/balances of respective category is considered as material and have been disclosed separately.

### 33 The Group takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives		Purpose
	As at March 31, 2023	As at March 31, 2022	
Forward Contract	USD 245 Million	USD 25 Million	Hedging of foreign currency borrowing principal & interest liability
	USD 32.20 Million	USD 23 Million	Hedging of expected future billing based on foreign currency denominated tariff
	JPY 10,133.92 Million	-	Hedging of foreign currency principal liability
	ILS 1,928.97 Million	-	Hedging of foreign currency loan principal and interest receivable
	ILS 53.11 Million	-	Hedging of expected future billing based on foreign currency invoicing

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

Nature	As at March 31, 2023		As at March 31, 2022	
	Amount	Foreign Currency	Amount	Foreign Currency
	(₹ In Crore)	(in Million)	(₹ In Crore)	(in Million)
Foreign Currency Loan	7.58	JPY 123.08	-	-
	535.65	EUR 59.89	506.39	EUR 60.13
Buyer's Credit	494.28	JPY 8,024.00	405.92	JPY 6,531.00
	627.16	USD 76.33	181.90	USD 24.00

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 33 The Group takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under: (contd.)

Nature	As at March 31, 2023		As at March 31, 2022	
	Amount	Foreign Currency	Amount	Foreign Currency
	(₹ In Crore)	(in Million)	(₹ In Crore)	(in Million)
Trade Payables and Other Current Liabilities	262.25	USD 31.92	86.17	USD 11.37
	51.29	EUR 5.73	10.68	EUR 1.27
	1.93	JPY 31.36	0.07	JPY 1.17
	0.17	SGD 0.03	0.19	SGD 0.03
	0.09	AUD 0.02	-*	AUD #
	0.01	OMR #	-	-
	0.01	GBP #	-	-
	-	-	0.58	AED 0.28
Interest accrued but not due	204.29	USD 24.86	28.79	USD 3.80
	4.63	EUR 0.52	0.96	EUR 0.11
	1.77	JPY 28.77	1.51	JPY 24.29
Balances with Bank	-*	USD #	-	-
Trade Receivable	4.71	USD 0.57	1.35	USD 0.18
	0.02	EUR #	0.02	EUR #
	0.30	OMR 0.01	-	-
Other Receivable	-	-	-*	SGD #
	22.35	USD 2.72	58.22	USD 7.68
	0.01	EUR #	0.10	EUR 0.01
Foreign Currency Bond	7,428.07	USD 903.99	29,559.08	USD 3,900.00
Loan Given	300.33	USD 36.55	537.85	USD 70.96

# Figures being nullified on conversion to foreign currency in million.

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

#### Closing rates as at :

Particulars	March 31, 2023	March 31, 2022
INR / USD	82.17	75.79
INR / EUR	89.44	84.22
INR / GBP	101.65	99.46
INR / JPY	0.62	0.62
INR / AUD	55.03	56.74
INR / SGD	61.79	55.97
INR / AED	22.37	20.64
INR / ILS	22.72	23.77
INR / OMR	213.43	196.86

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

#### 34.1 Category-wise Classification of Financial Instruments:

₹ in Crore

Particulars	Refer Note	As at March 31, 2023			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	931.99	931.99
Bank balances other than cash and cash equivalents	11	-	-	4,869.76	4,869.76
Investments in Equity Shares, Debenture, Bonds and others (other than investment in Joint Venture entities)	4 (b), 10	1,078.74	2,384.12	-	3,462.86
Investment in Compulsorily Convertible Preference Shares	4 (b)	-	195.02	-	195.02
Investment in Special Infrastructure Investment Scheme of ASSIS	10	-	1,136.98	-	1,136.98
Investments in unquoted Mutual Funds	10	-	293.30	-	293.30
Trade Receivables (including bill discounted)	5	-	-	3,940.79	3,940.79
Loans	6	-	-	1,996.95	1,996.95
Derivatives Instruments	7	-	194.01	-	194.01
Other Financial Assets	7	-	-	5,637.62	5,637.62
<b>Total</b>		<b>1,078.74</b>	<b>4,203.43</b>	<b>17,377.11</b>	<b>22,659.28</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted and current maturities)	14,18	-	-	50,518.43	50,518.43
Trade Payables	19	-	-	1,828.23	1,828.23
Derivative Instruments	16	-	85.14	-	85.14
Financial Guarantee given	16	-	-	8.52	8.52
Lease Liabilities	15	-	-	2,743.71	2,743.71
Other Financial Liabilities	16	-	-	2,849.94	2,849.94
<b>Total</b>		<b>-</b>	<b>85.14</b>	<b>57,948.83</b>	<b>58,033.97</b>

₹ in Crore

Particulars	Refer Note	As at March 31, 2022			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	8,653.02	8,653.02
Bank balances other than cash and cash equivalents	11	-	-	5,086.47	5,086.47
Investments in Equity Shares and others (other than investment in Joint Venture Entities and associate entity)	4 (b)	602.02	-	-	602.02
Investment in Compulsorily Convertible Preference Shares	4 (b)	-	191.59	-	191.59

## Notes to the Consolidated Financial Statements

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### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

(contd.)

₹ in Crore

Particulars	Refer Note	As at March 31, 2022			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Investment in Special Infrastructure Investment Scheme of ASSIS	4 (b)	-	1,129.49	-	1,129.49
Investments in unquoted Mutual Funds	10	-	47.79	-	47.79
Trade Receivables (including bill discounted)	5	-	-	2,521.14	2,521.14
Loans	6	-	-	1,873.83	1,873.83
Derivative Instruments	7	-	1.56	-	1.56
Other Financial Assets	7	-	-	5,131.84	5,131.84
<b>Total</b>		<b>602.02</b>	<b>1,370.43</b>	<b>23,266.30</b>	<b>25,238.75</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted and current maturities)	14,18	-	-	45,752.28	45,752.28
Trade Payables	19	-	-	1,159.57	1,159.57
Derivative Instruments	16	-	37.45	-	37.45
Financial Guarantee given	16	-	-	11.46	11.46
Lease Liabilities	15	-	-	2,015.94	2,015.94
Other Financial Liabilities	16	-	-	2,133.16	2,133.16
<b>Total</b>		<b>-</b>	<b>37.45</b>	<b>51,072.41</b>	<b>51,109.86</b>

Note:- Investments in joint ventures, accounted using equity method, amounting to ₹2,498.38 crore (previous year ₹1,189.85 crore) are not included in above tables.

#### 34.2 Fair Value Measurements:

##### (a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities:

₹ in Crore

Particulars	As at March 31, 2023			As at March 31, 2022		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
<b>Financial Assets</b>						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4, 10)	286.33	792.41	1,078.74	230.00	372.02	602.02
Investment in Equity Instruments, Bonds and others (refer note 4, 10)	2,384.12	-	2,384.12	-	-	-
Investment in debt instrument of joint venture entity (refer note 4)	195.02	-	195.02	191.59	-	191.59

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

(contd.)

₹ in Crore

Particulars	As at March 31, 2023			As at March 31, 2022		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Investment in Special Infrastructure Investment Scheme of ASSIS (refer note 4, 10)	1,136.98	-	1,136.98	1,129.49	-	1,129.49
Investments in unquoted Mutual Funds measured at FVTPL (refer note 10)	293.30	-	293.30	47.79	-	47.79
Derivative Instruments (refer note 7)	194.01	-	194.01	1.56	-	1.56
<b>Total</b>	<b>4,489.76</b>	<b>792.41</b>	<b>5,282.17</b>	<b>1,600.43</b>	<b>372.02</b>	<b>1,972.45</b>
<b>Financial Liabilities</b>						
Derivative Instruments (refer note 16)	85.14	-	85.14	37.45	-	37.45
<b>Total</b>	<b>85.14</b>	<b>-</b>	<b>85.14</b>	<b>37.45</b>	<b>-</b>	<b>37.45</b>

Investments in Unquoted Mutual Funds are valued based on declared NAV.

Derivative instruments are valued based on observable inputs i.e. yield curves, FX rates and volatilities etc.

The company has entered into call option agreement for an equity investment, whereby the company has agreed to grant the buyer an option to purchase the underlying equity investment, the fair value of such call option as at March 31, 2023 ₹10.17 crore (previous year ₹13.76 crore). The fair value is determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the spot price, expected price volatility and the risk-free interest rate for the term of the option. The critical inputs for options granted are (i) Expected price volatility : 38 % (ii) Risk-free interest rate: 5.60 % (iii) Intrinsic value : Nil

The Company has entered into Put Option agreement for acquisition of additional 3% equity stake of subsidiary, the fair value of such put option is ₹23.50 crore as at March 31, 2023 (previous year ₹23.50 crore). The fair value is independently determined considering the exercise price, the term of the option, the spot price, expected price volatility and the risk-free interest rate for the term of the option.

#### (b) Description of significant unobservable inputs to valuation:

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

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted Average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF Method	Weighted Average Cost of Capital (WACC)	March 31, 2023 : 11.50% - 12.50% (12%) March 31, 2022 : 11.28% - 13.18% (12.42%)	1% increase would result in decrease in fair value by ₹13.86 Crore as of March 31, 2023 ( ₹3.99 Crore as of March 31, 2022)
FVTOCI Assets in Investment in Optionally Convertible Debentures	Cost Approach (Summation Method)	Underlying Assets	NA	1% increase would result in increase in fair value by ₹2.33 Crore as of March 31, 2023 (₹ Nil as of March 31, 2022)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

(contd.)

### (c) Financial Instrument measured at Amortised Cost

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

### 34.3 Financial Risk objective and policies

The Group's principal financial liabilities, other than derivatives comprises of loans and borrowings, trade and other payables, lease liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations/projects and to provide guarantees to support Group's operations and its joint venture entities. The Group's principal financial assets include loans, investments including mutual funds, trade and other receivables, lease receivables and cash and cash equivalents which is derived from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through hedging transactions. It uses derivative instruments such as cross currency swaps, full currency swaps, interest rate swaps, foreign currency future options and foreign currency forward contract and non derivative financial assets or liabilities to manage these risks. These instruments reduces the impact of both favourable and unfavourable fluctuations.

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

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

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

### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments, short term investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

(contd.)

currencies are all constant as at March 31, 2023. The analysis exclude the impact of movements in market variables on the carrying values of gratuity , other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

-The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

#### (i) Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

#### Interest rate sensitivity

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

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2023 would decrease / increase by ₹43.77 crore (for the year ended March 31, 2022 : decrease / increase by ₹30.02 crore). This is mainly attributable to interest rates on variable rate of long term borrowings. The same has been calculated based on risk exposure outstanding as on balance sheet date. The year end balances are not necessarily representative of average debt outstanding during the year.

#### (ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD), Japanese Yen (JPY), Australian Dollar (AUD), Great Britain Pound (GBP), Singapore Dollar (SGD), Arab Emirates Dirham (AED), Omani Rial (OMR), Euro (EURO) and Israeli Shekel (ILS) against Indian Rupee (INR), have an impact on the Group's operating results. The Group manages its foreign currency risk by entering into currency swap for converting other foreign currency loan into INR. The Group also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or creditors. Further, to hedge foreign currency future transactions in respect of highly probable forecasted transactions (for instance, foreign exchange denominated income), the Group has designated the same as hedged item against USD borrowing which is designated as hedging instrument under cash flow hedge (refer note 50).

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

₹ in Crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Liabilities</b>				
<b>USD Sensitivity</b>				
₹/USD - Increase by 1%	(81.94)	(292.59)	(81.94)	(292.59)
₹/USD - Decrease by 1%	81.94	292.59	81.94	292.59

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

(contd.)

₹ in Crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>EURO Sensitivity</b>				
₹/EURO - Increase by 1%	(5.92)	(4.99)	(5.92)	(4.99)
₹/EURO - Decrease by 1%	5.92	4.99	5.92	4.99
<b>GBP Sensitivity</b>				
₹/GBP - Increase by 1%	.*	.*	.*	.*
₹/GBP - Decrease by 1%	.*	.*	.*	.*
<b>SGD Sensitivity</b>				
₹/SGD - Increase by 1%	.*	.*	.*	.*
₹/SGD - Decrease by 1%	.*	.*	.*	.*
<b>JPY Sensitivity</b>				
₹/JPY - Increase by 1%	(5.06)	(4.08)	(5.06)	(4.08)
₹/JPY - Decrease by 1%	5.06	4.08	5.06	4.08
<b>AUD Sensitivity</b>				
₹/AUD - Increase by 1%	.*	-	.*	-
₹/AUD - Decrease by 1%	.*	-	.*	-
<b>AED Sensitivity</b>				
₹/AED - Increase by 1%	-	(0.01)	-	(0.01)
₹/AED - Decrease by 1%	-	0.01	-	0.01
<b>Assets</b>				
<b>OMR Sensitivity</b>				
₹/OMR - Increase by 1%	.*	-	.*	-
₹/OMR - Decrease by 1%	.*	-	.*	-

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

#### Cash Flow Hedge Accounting

The Group's business objective includes safeguarding its earnings against movement in foreign currency rates. During the current year, the Group has adopted a structured risk management policy to hedge its foreign currency risk within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges.

During the current financial year, the Group has opted to apply the hedge accounting, in line with its updated Risk Management policy, by designating the highly probable forecast revenues (billed in Indian rupees but derived based on \$ denominated tariff rates) as hedged item and non-derivative foreign currency financial liability of equivalent amount as hedging instrument under Cash Flow Hedge relationship. The Company has recognised the effective portion of hedge under Other Comprehensive Income, to be ultimately recognised in the Statement of Profit and loss when underlying forecasted transactions occur. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting will be discontinued prospectively. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss.

For hedges of highly probable forecast sales, the Group performs an assessment of effectiveness, and it is expected that the value of the non-derivative financial instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates. The Group uses the dollar offset method for the hedge effectiveness assessment and measurement of hedge ineffectiveness.

The main source of hedge ineffectiveness in these hedging relationships is the effect of time value of money resulting due to change in cashflows of hedged item and hedging instruments and difference in

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

(contd.)

coupon interest rate and discount rate considered for the purpose of designation. No other sources of ineffectiveness emerged from these hedging relationships.

Following are the key estimates and assumptions considered:

- Revenue Growth of 6% in FY 24 as well as thereafter
- Interest Rate considered for discounting hedged item ranging from 4.50% to 6.70% basis respective maturity periods.

#### 1) Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the hedge contracts match the terms of hedge items. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange are identical to the hedged risk components.

#### 2) Hedging Instrument

Particulars	Carrying Amount		Hedge Maturity	Line Item in Balance Sheet
	Assets	Liabilities (₹ in Crore)		
Foreign Currency Bonds	-	22,646.05	July 2024 to August 2041	Non-Current Borrowing

#### 3) Hedged Items

Particulars	Nominal Value (₹ in Crore)	Hedge Reserve (₹ in Crore)	Line Item in Balance Sheet
Highly Probable Forecast sales	22,646.05	(560.11)	Other Equity

#### 4) The effect of the cash flow hedge in the Statement of Profit and Loss is as follows

Particulars	₹ in Crore	
	March 31, 2023	March 31, 2022
Total hedging (loss) recognised in OCI	(748.51)	-
Income tax on above	188.40	-
	<b>(560.11)</b>	-
Recycled to statement of profit and loss	11.61	-
Ineffectiveness recognised in statement of profit and loss	(116.53)	-

#### (iii) Equity price risk

The Group'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 Group has given corporate guarantees and pledged part of its investment in equity in order to fulfil the collateral requirements of the subsidiaries and joint venture entities. 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

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### (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 and 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 Management of the Company on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Group further mitigate credit risk of counter parties by obtaining adequate securities including undertaking from creditable parties.

The Group 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 Finance Committee of the Board of Directors of the company/the Board of Directors of the subsidiary entities 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 Management of the Company, including assessment by external legal expert, and by assessing financial ability of the guarantor.

Corporate Guarantees given to banks and financial institutions against credit facilities availed by the joint venture entities ₹3,462.70 crore (Previous year ₹2,952.62 crore)

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

Considering that the group operates the port services and provide related infrastructure services, the group is significantly dependent on cargo from such large port user customer located at various ports. Out of total revenue, the Group earns 20% revenue (previous year 23%) from such customers and with some of these customers, the group has long term cargo contracts . Receivables from such customer constitute 45% of total trade receivables (previous year 44%) . A loss of these customer could adversely affect the operating result or cash flow of the Group.

### (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 the Consolidated Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

(contd.)

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 Crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
<b>As at March 31, 2023</b>						
Borrowings (including the bills discounted)	14,18	4,008.17	28,775.76	18,062.25	50,846.18	50,518.43
Interest Payments	16	2,496.35	6,261.61	4,042.39	12,800.35	865.85
Trade Payables	19	1,828.23	-	-	1,828.23	1,828.23
Derivatives Instruments	16	60.02	25.12	-	85.14	85.14
Financial Guarantees given	16	5.54	2.98	-	8.52	8.52
Lease Liabilities	15	111.84	790.13	5,266.21	6,168.18	2,743.71
Other Financial Liabilities	16	1,789.17	194.92	-	1,984.09	1,984.09
<b>Total</b>		<b>10,299.32</b>	<b>36,050.52</b>	<b>27,370.85</b>	<b>73,720.69</b>	<b>58,033.97</b>

₹ in Crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
<b>As at March 31, 2022</b>						
Borrowings (including the bills discounted)	14,18	6,300.87	13,073.94	26,617.49	45,992.30	45,752.28
Interest Payments	16	2,051.03	6,687.92	4,879.99	13,618.94	654.80
Trade Payables	19	1,159.57	-	-	1,159.57	1,159.57
Derivatives Instruments	16	37.45	-	-	37.45	37.45
Financial Guarantees given	16	5.60	5.86	-	11.46	11.46
Lease Liabilities	15	75.76	566.37	4,409.06	5,051.19	2,015.94
Other Financial Liabilities	16	1,339.59	138.77	-	1,478.36	1,478.36
<b>Total</b>		<b>10,969.87</b>	<b>20,472.86</b>	<b>35,906.54</b>	<b>67,349.27</b>	<b>51,109.86</b>

- i) 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 call and refinancing options available with the Group. 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.
- ii) In above figures, foreign currency liabilities are converted to INR at exchange rate prevailing on reporting date.

#### 34.4 Capital Management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's capital management is to maximize shareholder value. The Group

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

(contd.)

manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance & Investments in Mutual Fund) divided by total capital plus net debt.

Particulars	₹ in Crore	
	March 31, 2023	March 31, 2022
Total Borrowings (refer note 14, 18) (including the bills discounted)	50,518.43	45,752.28
Less: Cash and bank balance & Investments in Mutual Fund (refer note 10, 11)	6,095.05	13,787.28
<b>Net Debt (A)</b>	<b>44,423.38</b>	<b>31,965.00</b>
Total Equity (B)	45,583.58	41,988.22
<b>Total Equity and Net Debt (C = A + B)</b>	<b>90,006.96</b>	<b>73,953.22</b>
<b>Gearing ratio</b>	<b>49%</b>	<b>43%</b>

In order to achieve this overall objective, the Group'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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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

### 35 Capital Commitments and other commitments

#### (i) Capital Commitments

Estimated amount of contracts (net of security deposits amounting to ₹2,036.63 crore (previous year ₹2,305.63 crore) included in note 7 and capital advances) remaining to be executed on capital account and not provided for ₹13,553.71\* crore (previous year ₹11,368.39\* crore) pertains to various projects to be executed during the next 5 years.

\* Excluding for a project under arbitration with concessioning authority (refer note - 36 (o))

#### (ii) Other Commitments

- a) The port projects of subsidiary company viz. The Dhamra Port Company Limited ("DPCL") and joint venture Adani International Container Terminal Private Limited ("AICTPL") have been funded through various credit facility agreements with banks. Against the said facilities availed by the aforesaid entities from the banks, the Company has pledged its shareholding in the subsidiary / joint venture companies and executed Non Disposal Undertaking, the details of which is tabulated below :-

The details of shareholding pledged by the Company is as follows :

Name of Subsidiaries/Joint Ventures	% of Non disposal undertaking (Apart from pledged)		% of Share Pledged of the total shareholding of investee company	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Adani International Container Terminal Private Limited	50.00%	50.00%	-	-
The Dhamra Port Company Limited	21.00%	21.00%	30.00%	30.00%

- b) The subsidiary companies have imported capital goods for its Container & Multipurpose Port Terminal and Project Equipments under the EPCG Scheme at concessional rate of custom duty by undertaking

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 35 Capital Commitments and other commitments (contd.)

obligation to export. Future outstanding export obligation under the scheme is ₹1,512.32 crore (previous year ₹1,225.15 crore) which is equivalent to 6 to 8 times of duty saved ₹252.05 crore (previous year ₹204.19 crore). The export obligation has to be completed by 2023-24 to 2026-27.

One of the subsidiary company has filed an application to extend the deadline for completion of the obligation amounting to ₹714.88 crore for another two years, which is expected to be approved by the authority shortly.

- c) One of the subsidiary company Adani Hazira Port Limited ("AHPL") has entered into agreement in financial year 2013-14 to acquire land measuring 85,553 square meter in the Hazira region and an advance consideration of ₹18.23 crore paid towards the land has been classified as capital advance. The AHPL has entered into agreement to acquire additional land measuring 933 acre in the Patan and Hazira region and an advance consideration of ₹58.20 crore paid towards the land classified as capital advance respectively. As at March 31, 2023, the AHPL does not have physical possession of the said land, although it has contractual right in the said land parcels. The management represents that land area and location are identifiable and the transaction will be concluded on receiving necessary government approvals.
- d) As a part of Environmental Clearance obtained by the Vizhinjam International Sea Port Limited (VISL or 'the Authority'), the AVPPL has been obliged to incur expenditure of ₹33.70 crore towards 'Corporate Social Responsibility' along with development of Port Infrastructure under Phase - I and the same is included under the total Project cost. Out of total commitment of ₹33.70 crore, the AVPPL has incurred ₹19.86 crore till March 31, 2023.

### 36 Contingent Liabilities not provided for

₹ in Crore

Sr. No	Particulars	₹ in Crore	
		March 31, 2023	March 31, 2022
a	Certain facilities availed by the joint venture entities against credit facilities sanctioned to the company.	0.66	0.66
b	Bank Guarantees given to government authorities and banks	340.47	341.83
c	Show cause notices received from the Custom Authorities against duty on port related cargo. The Company has given deposit of ₹0.05 crore (previous year ₹0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14	0.14

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 36 Contingent Liabilities not provided for (contd.)

₹ in Crore

Sr. No	Particulars	₹ in Crore	
		March 31, 2023	March 31, 2022
d	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeal there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other fixed assets during financial year 2006-07 to 2016-17. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of ₹4.50 crore (previous Year ₹4.50 crore) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011)	32.63	32.63
e	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat ₹6.72 crore (previous Year ₹6.72 crore); and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad ₹0.15 crore (previous Year ₹0.15 crore) and Commissioner of Service Tax Ahmedabad ₹0.03 crore (previous Year ₹0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90	6.90
f	Commissioner of Customs, Ahmedabad has vide order no.4/ Comm./SIIB/2009 dated November 25, 2009 imposed penalty in connection with import of Air Craft owned by Karnavati Aviation Private Limited ("KAPL") (Formerly known as Gujarat Adani Aviation Private Limited.), subsidiary of the Company. KAPL has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the imposition of penalty, the management is reasonably confident that no liability will devolve on KAPL and hence no liability has been recognised in the books of account.	2.00	2.00
g	In terms of the Show Cause Notice issued to a subsidiary company by the Office of the Commissioner of Customs for a demand of ₹18.33 Crore along with applicable interest and penalty thereon for the differential amount of Customs Duty in respect of import of Bombardier Challenger CL-600 under Non-Scheduled Operation Permit (NSOP) has been raised on the subsidiary company.	18.33	18.33

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 36 Contingent Liabilities not provided for (contd.)

₹ in Crore

Sr. No	Particulars	₹ in Crore	
		March 31, 2023	March 31, 2022
h	In terms of the Show Cause cum Demand Notice issued to subsidiary company by the Office of the Commissioner of Customs Preventive Section dated 27/02/2009, a demand of ₹14.67 Crore along with applicable interest and penalty thereon for the differential amount of Customs Duty in respect of import of Aircraft Hawker 850 XP under Non-Scheduled Operation Permit (NSOP) has been raised on the subsidiary company.	14.53	14.53
i	Various matters pending relating to Service Tax, Customs and Goods and Service Tax (including Cess). The management is of the view that no liability shall arise on the subsidiaries companies.	50.50	31.33
j	Show cause notice received from Directorate General of Central Excise Intelligence for Non-Payment of Service Tax on Domestic Journey and on certain Foreign Service on reverse charge mechanism amounting to ₹3.03 crore. The subsidiary company had filed appeal with Commissioner of Service Tax & received order for the same. In reference to order passed by Commissioner of Service Tax, the subsidiary company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the order of Commissioner for confirmation of tax liability of ₹3.71 crore (including Penalty). The subsidiary company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise. The subsidiary company has paid ₹0.35 crore under protest.	3.71	3.71
k	Various matters of subsidiaries companies pending with Income Tax Authorities.	4.76	0.05
l	(i) <u>Claims not acknowledged as debts by Indian Subsidiaries :-</u>		
	- Liquidated damages	134.88	91.08
	- Claims of contractors	32.66	48.43
	- Claims towards land lease/ license charges	-	29.25
	- Other claims	1.14	0.46
	(ii) <u>Claims not acknowledged as debts by Foreign Subsidiaries :-</u>		
	- Claims pertaining to cargo damage, third party damage, longshoreman damage and other accidents	121.95	-
	- Liabilities against lawsuits and monetary claims	202.30	-
	- Employee benefits claims	17.04	-
- Various Guarantees	71.57	-	
m	The Company's tax assessments is completed till Assessment year ("AY") 2021-22, Appeals are pending with High Court/Supreme Court for AY 2008-09 to AY 2010-11, with Appellate Tribunal for AY 2012-13 to 2016-17 & with CIT for AY 2017-18 to AY 2021-22. Company has received favourable orders on most of the matters for AY 2008-09 to AY 2016-17 from CIT(A)/ITAT/High Court, hence the management is reasonably confident that no liability will devolve on the Company. Company has considered it as remote liability.		
n	Matters of acquired subsidiaries for which indemnity is available from previous owner/seller		
	(i) Matters pending with Central Warehousing Corporation amounting to ₹10.14 crore.		
	(ii) Matters pending with Income Tax, Service Tax and Various other authorities amounting to ₹361.14 crore		

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 36 Contingent Liabilities not provided for (contd.)

₹ in Crore

Sr. No	Particulars	March 31, 2023	March 31, 2022
o	During the financial year 2020-21, Adani Ennore Container Terminal Private Limited ("AECTPL") has received notice from Kamarajar Port Limited ("KPL") relating to delay in completion of a milestone of Phase II, levying liquidated damages of ₹29.60 crore. AECTPL sought for injunction from Hon'ble High Court of Madras and as per its direction, initiated arbitration and deposited ₹10 crore without prejudice and subject to outcome of arbitration and other such remedies available in the concession agreement. The matter is under arbitration and both parties have appointed arbitrators as well as the presiding arbitrator as referred by the Hon'ble High Court of Madras. The management is confident that there should be no such levy and has contested the same attributing the delay in Phase II commencement to reasons beyond control of AECTPL including but not limited to delays in Phase I Project (including Force Majeure events of Cyclone Vardha), delay by the Concessioning Authority in appointing an Independent Engineer for Phase II Project, allocation of land, issuance of Phase I completion certificate, etc. Considering above, no provision of the liquidated damages claimed by KPL has been considered necessary at this stage. Both the parties have filed the claim with arbitrators and the matter is currently under arbitration. Further, AECTPL could not achieve the Minimum Guaranteed tonnage as per concession agreement on account of various force majeure events including reasons attributable to KPL which was also contested as part of ongoing arbitration. The management believes that it is not likely to have any material financial impact on account of the disputes, which are required to be considered for the purpose of these financial statements.		
p	During the financial year 2020-21, the group has received notice from one of the port trust authority, relating to royalty on deemed storage income for ₹41.40 crore. The Group is in the process of requesting to extend the relief of rationalised tariff retrospectively, available under guidelines issued by Ministry of Shipping dated July 11, 2018. The Group has paid an amount of ₹18.67 crore and provided the same in books on prudent basis and doesn't anticipate any further outflow.		
q	For other arbitration matters, refer note 40 (iii), 42, 44, 46 & 48		

### 37 Interest in joint Venture Entities and Associates

(A) Summarised Balance Sheet and Statement of Profit and Loss of material entities are as below:

₹ In Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Summarised Balance Sheet</b>				
Share Capital and Other Equity	180.26	89.43	1,087.22	824.90
Non-current Liabilities	529.73	1,422.07	2,350.52	2,548.14
Current Liabilities	963.33	382.03	350.60	382.63
Non-current Assets	1,547.83	1,663.46	3,404.57	3,447.96
Current Assets	125.49	230.07	383.77	307.71
<b>Statement of Profit and Loss</b>				
Revenue	750.18	630.68	1,551.84	1,371.03
Operating Expenses	(180.07)	(158.95)	(350.07)	(336.88)
Terminal Royalty Expenses	(107.72)	(87.51)	(263.26)	(237.82)
Employee Benefit Expenses	(8.66)	(7.81)	(15.39)	(13.60)
Depreciation and Amortisation Expense	(122.74)	(124.86)	(249.92)	(243.67)
Foreign Exchange loss (net)	(110.45)	(42.31)	(217.05)	(84.70)
Finance Costs	(80.47)	(81.80)	(100.16)	(111.09)
Other Expenses	(14.62)	(12.36)	(76.98)	(34.82)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 37 Interest in joint Venture Entities and Associates (contd.)

₹ In Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Profit before exceptional item and tax</b>	<b>125.45</b>	<b>115.08</b>	<b>279.01</b>	<b>308.45</b>
Exceptional Item	-	(17.24)	-	(33.07)
<b>Profit before tax</b>	<b>125.45</b>	<b>97.84</b>	<b>279.01</b>	<b>275.38</b>
Income-tax expense	(34.77)	(6.28)	(16.87)	(17.52)
<b>Profit after tax</b>	<b>90.68</b>	<b>91.56</b>	<b>262.14</b>	<b>257.86</b>
Other Comprehensive income	0.15	(0.13)	0.18	(0.17)
<b>Total Comprehensive Income</b>	<b>90.83</b>	<b>91.43</b>	<b>262.32</b>	<b>257.69</b>
<b>Capital and Other Commitments</b>	<b>1.29</b>	<b>0.42</b>	<b>22.31</b>	<b>261.13</b>
<b>Contingent liability not accounted for</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

₹ In Crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Summarised Balance Sheet</b>				
Share Capital and Other Equity	5.02	1.44	1,356.94	1,214.29
Non-current Liabilities	31.17	35.04	5,499.00	4,440.05
Current Liabilities	7.63	5.87	435.05	266.43
Non-current Assets	35.83	40.17	6,456.74	5,293.05
Current Assets	7.99	2.18	834.25	627.72
<b>Statement of Profit and Loss</b>				
Revenue	33.65	25.32	2,819.13	2,177.17
Operating Expenses	(28.97)	(22.87)	(2,657.49)	(2,062.34)
Employee Benefit Expenses	-	-	(9.44)	(7.21)
Depreciation and Amortisation Expense	(4.34)	(3.06)	(0.57)	(0.55)
Foreign Exchange loss (net)	-	-	(6.02)	(4.57)
Finance Costs	(2.62)	(1.95)	(26.45)	(17.16)
Other Expenses	(0.10)	(0.08)	(22.22)	(37.30)
<b>Profit / (Loss) before tax</b>	<b>(2.38)</b>	<b>(2.64)</b>	<b>96.94</b>	<b>48.04</b>
Income-tax expense	-	-	(26.21)	(10.67)
<b>Profit / (Loss) after tax</b>	<b>(2.38)</b>	<b>(2.64)</b>	<b>70.73</b>	<b>37.37</b>
Other Comprehensive income	-	-	41.54	67.96
<b>Total Comprehensive Income</b>	<b>(2.38)</b>	<b>(2.64)</b>	<b>112.27</b>	<b>105.33</b>
<b>Capital and Other Commitments</b>	<b>-</b>	<b>-</b>	<b>157.16</b>	<b>384.39</b>
<b>Contingent liability not accounted for</b>	<b>-</b>	<b>-</b>	<b>3.52</b>	<b>2.66</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 37 Interest in joint Venture Entities and Associates (contd.)

₹ In Crore

Particulars	Indianoil Adani Ventures Limited (Consolidated)
	March 31, 2023
<b>Summarised Balance Sheet</b>	
Share Capital and Other Equity	1,650.16
Non-current Liabilities	1,492.25
Current Liabilities	746.98
Non-current Assets	2,393.24
Current Assets	1,469.51
Asset held for sale	26.64
<b>Statement of Profit and Loss</b>	
Revenue	179.05
Operating Expenses	(94.87)
Employee Benefit Expenses	(10.15)
Depreciation and Amortisation Expense	(5.33)
Foreign Exchange Gain (net)	0.61
Finance Costs	(24.30)
Other Expenses	(10.22)
<b>Profit before share of losses of joint ventures (net) and tax</b>	<b>34.79</b>
Share of net losses of joint ventures (net of tax)	(3.69)
<b>Profit before tax</b>	<b>31.10</b>
Income-tax expense	(8.80)
<b>Profit after tax</b>	<b>22.30</b>
Other Comprehensive income	(0.09)
<b>Total Comprehensive Income</b>	<b>22.21</b>
<b>Capital and Other Commitments</b>	<b>38.13</b>
<b>Contingent liability not accounted for</b>	<b>803.52</b>

### (B) Reconciliation of carrying amounts of joint ventures

₹ In Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Net assets of joint venture entities	180.26	89.43	1,087.22	824.90
Proportion of Group's share	50%	50%	50%	50%
Group's share	90.13	44.72	543.61	412.45
Elimination from intra-group transactions/adjustments	(90.13)	(44.72)	(543.61)	(412.45)
Carrying amount of Group's interest (refer note 4(a))	-	-	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 37 Interest in joint Venture Entities and Associates (contd.)

₹ In Crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Net assets of joint venture entities	5.02	1.44	1,356.94	1,214.29
Proportion of Group's share	51%	51%	50%	50%
Group's share	2.56	0.73	678.47	607.15
Fair valuation and other adjustment	-	-	555.16	567.70
Elimination from intra-group transactions/adjustments	-	-	-	-
Carrying amount of Group's interest (refer note 4(a))	2.56	0.73	1,233.63	1,174.85

₹ In Crore

Particulars	Indianoil Adani Ventures Limited (Consolidated)
	March 31, 2023
Net assets of joint venture entities	1,650.16
Proportion of Group's share	49.38%
Group's share	814.85
Elimination on acquisition	356.94
Carrying amount of Group's interest (refer note 4(a))	1,171.79

### (C) Unrecognised share of losses

₹ In Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Unrecognised share of loss for the year*	(45.41)	(45.72)	(131.16)	(128.85)
Cumulative shares of loss	(30.73)	14.68	(198.14)	(66.98)

\*Not recognised as the carrying value of Investment as on reporting date is Nil

### 38 Disclosure of subsidiaries having material non-controlling interest

#### (i) Summarised Statement of Profit and loss

₹ In Crore

Particulars	Haifa Port Company Limited	
	March 31, 2023*	March 31, 2022
Revenue	354.31	-
Loss for the period	(4.50)	-
Other Comprehensive Income	9.12	-
Total Comprehensive Income	4.62	-
Effective % of non-controlling interest	30%	-
Profit allocated to non-controlling interest	1.38	-
Dividend to non-controlling interest	-	-

\* From the date of acquisition till the reporting date

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 38 Disclosure of subsidiaries having material non-controlling interest (contd.)

#### (ii) Summarised Balance Sheet

₹ In Crore

Particulars	Haifa Port Company Limited	
	March 31, 2023	March 31, 2022
Non-current Assets	5,802.10	-
Current Assets	4,271.09	-
<b>Total Assets</b>	<b>10,073.19</b>	<b>-</b>
Current Liabilities	729.95	-
Non-current Liabilities	1,887.70	-
<b>Total Liabilities</b>	<b>2,617.65</b>	<b>-</b>
Net Assets	7,455.54	-
Accumulated non-controlling interest	786.74	-

#### (iii) Summarised Statement of Cash Flow

₹ In Crore

Particulars	Haifa Port Company Limited	
	March 31, 2023*	March 31, 2022
Net Cash used in Operating Activities	(84.19)	-
Net Cash used in Investing Activities	(2,135.16)	-
Net Cash used in Financing Activities	(1.53)	-
<b>Net decrease in cash and cash equivalents</b>	<b>(2,220.88)</b>	<b>-</b>

\* From the date of acquisition till the reporting date

### 39 Business Combinations, acquisitions and disposals during the year

- (i) 1) The Ahmedabad Bench and Hyderabad Bench of the National Company Law Tribunal ("NCLT"), through its order dated September 21, 2022 and October 10, 2022 respectively, have approved the Composite Scheme of Arrangement between the Company, Gangavaram Port Limited ("GPL"), Adani Gangavaram Port Private Limited ("AGPPL" – a wholly owned subsidiary of the Company) and their respective shareholders and creditors (the 'Scheme') under which GPL (along with its subsidiary Gangavaram Port Services (India) Private Limited) got merged with the Group with appointed date i.e April 1, 2021. Consequently, the Group has restated the reported numbers of previous year.

Pursuant to the Scheme, Company had issued 159 fully paid up equity shares of APSEZL for 1,000 fully paid up equity shares held by such member in GPL ("Share Exchange Ratio"). Accordingly, Company has allotted 4,77,65,715 equity shares having face value of ₹2 each at an issue price of ₹754.78 per share to the erstwhile promoters of Gangavaram Port Limited on October 19, 2022. However the same have been considered while calculating the Basic and Diluted Earnings per Share for the previous year.

W.e.f. December 30, 2022, Adani Gangavaram Port Private Limited ("AGPPL") has been converted into Public Limited Company and consequently the name of the AGPPL has been changed to Adani Gangavaram Port Limited ("AGPL").

The Group has concluded final determination of fair value of identified assets and liabilities for the purpose of purchase price allocation and based on the final fair valuation report of external independent expert, the Group has recorded Goodwill of ₹793.55 crore on acquisition.

- 2) Ahmedabad Bench of National Company Law Tribunal ("NCLT") through its order dated October 11, 2022 have approved the scheme filed by Mundra LPG Terminal Private Limited ("MLTPL") (in which the Group was investor) to reduce its share capital from ₹110.05 crore to ₹0.10 crore, consequent to which the Group has obtained equity stake of 48.97%.

Since the scheme is effective from filing of resolution dated February 24, 2022, the Group has accounted MLTPL as an associate, using equity method from that date.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 39 Business Combinations, acquisitions and disposals during the year (contd.)

Consequent to the above scheme and further investment in equity instrument by the Group in April 2022, the Group has obtained management and operational control of MLTPL and the same has been accounted as subsidiary of the Group.

The Group has concluded final determination of fair value of identified assets and liabilities for the purpose of purchase price allocation and based on the final fair valuation report of external independent expert, the Group has recorded Goodwill of ₹56.85 crore on acquisition.

Consequent to the above schemes, the Group has restated the reported financial statements of previous year.

The Summarised reconciliation of the reported and restated financial statements of above schemes are as below:-

#### Statement of Profit and Loss

₹ in crore

Particulars	Year Ended March 31, 2022	
	Reported	Restated
Revenue from Operations	15,934.03	17,118.79
Profit Before Tax	5,541.16	5,717.14
Profit After Tax	4,795.24	4,953.18
Total Comprehensive Income	4,721.24	4,879.72

#### Balance Sheet

₹ in crore

Particulars	As at March 31, 2022	
	Reported	Restated
(i) Non-Current Assets	77,076.13	81,597.40
(ii) Current Assets	17,801.63	18,088.42
<b>Total Assets</b>	<b>94,877.76</b>	<b>99,685.82</b>
(i) Total Equity	38,642.77	42,380.99
(ii) Non-Current Liabilities	45,098.55	45,936.12
(iii) Current Liabilities	11,136.44	11,368.71
<b>Total Equity and Liabilities</b>	<b>94,877.76</b>	<b>99,685.82</b>

#### Statement of Cash Flow

₹ in crore

Particulars	Year Ended March 31, 2022	
	Reported	Restated
Net Cash generated from Operating Activities	9,800.22	10,420.14
Net Cash used in Investing Activities	(7,211.61)	(5,281.82)
Net Cash generated from / (used in) Financing Activities	2,041.53	(585.77)

- 3) During the current year, the Group has acquired 98.52% equity stake of Ocean Sparkle Limited ("OSL") (along with its subsidiaries) and 100% equity stake of Savi Jana Sea Foods Private Limited (jointly referred as "OSL Group") for the consideration of ₹1,498.96 crore on May 10, 2022.

The Group has concluded final determination of fair value of identified assets and liabilities for the purpose of purchase price allocation and based on the final fair valuation report of external independent expert, the Group has recorded Capital Reserve of ₹95.41 crore on acquisition.

- 4) During the current year, the Group has acquired "Tumb Inland Container Depot" business undertaking under subsidiary entity Adani Forwarding Agent Private Limited on October 01, 2022.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 39 Business Combinations, acquisitions and disposals during the year (contd.)

The Group is in the process of making final determination of fair value of identified assets and liabilities for the purpose of purchase price allocation. Pending final determination, the business combination has been accounted based on provisional fair valuation report.

- 5) During the current year, Mediterranean International Ports A.D.G.D Limited, a subsidiary of the Company with 70% controlling stake, has concluded the acquisition of Haifa Port Company Limited ("HPCL") on January 10, 2023 from the Government of Israel which operates Haifa Port in Israel.

The Group is in the process of making final determination of fair values of identified assets and liabilities for the purpose of purchase price allocation. Pending final determination, the business combination has been accounted based on provisional fair valuation report.

**The fair value of the identifiable assets and liabilities as at the date of acquisition were:**

₹ In Crore

Particulars	Haifa Port Company Limited	Tumb Inland Container Depot	GPL Scheme	MLTPL	OSL Group
<b>Assets</b>					
Tangible, Intangible Assets and Investment Property (including Capital Work-in-progress)	5,081.26	807.48	5,276.88	1,215.46	1,664.76
Investments	2,595.08	-	-	-	58.84
Other financial/non-financial assets	1,546.69	-	204.75	146.98	99.54
Inventories	1.93	0.27	10.85	6.13	12.12
Trade Receivables	127.03	-	43.59	21.54	78.93
Cash and Cash Equivalents	2,640.46	-	531.93	1.04	236.81
Bank Balances other than Cash and Cash Equivalents	-	-	-	-	106.75
Deferred Tax Assets	-	-	297.78	61.57	-
<b>Total Assets</b>	<b>11,992.45</b>	<b>807.75</b>	<b>6,365.78</b>	<b>1,452.72</b>	<b>2,257.75</b>
<b>Liabilities</b>					
Provisions	1,760.00	-	4.16	0.51	3.01
Other financial/non-financial liabilities	42.01	-	83.75	12.00	21.34
Lease Liabilities	240.15	0.07	32.34	354.71	0.70
Borrowings	-	-	-	1,071.86	521.67
Trade Payables	795.34	-	26.93	46.25	58.74
Current Tax Liabilities	-	-	-	-	4.67
Deferred Tax liability (net) (refer note (d) below)	214.37	-	807.53	24.50	1.40
<b>Total Liabilities</b>	<b>3,051.87</b>	<b>0.07</b>	<b>954.71</b>	<b>1,509.83</b>	<b>611.53</b>
<b>Total Identifiable Net Assets at fair value</b>	<b>8,940.58</b>	<b>807.68</b>	<b>5,411.07</b>	<b>(57.11)</b>	<b>1,646.22</b>
<b>Purchase Consideration paid</b>					
- For Equity Share	8,327.39	830.70	6,204.62	-	1,498.96
	<b>8,327.39</b>	<b>830.70</b>	<b>6,204.62</b>	<b>-</b>	<b>1,498.96</b>
<b>Non-Controlling Interests</b>	785.37	-	-	(0.26)	51.85
<b>Goodwill/(Capital Reserve) arising on acquisition</b>	<b>172.18</b>	<b>23.02</b>	<b>793.55</b>	<b>56.85</b>	<b>(95.41)</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 39 Business Combinations, acquisitions and disposals during the year (contd.)

#### Notes:-

- (a) The determination of the fair value is based on depreciated replacement cost and multi-period excess earnings method. Key assumptions on which the management has based fair valuation includes estimated long-term growth rates, weighted average cost of capital and estimated operating margin. The Cash flow projections take into account past experience and represent the management's best estimate about future developments.
- (b) Goodwill is attributable to future growth of business out of synergies from these acquisitions and assembled workforce.
- (c) The above acquisitions will expand the Group's portfolio and foot print in terms of operations.
- (d) Impact of deferred tax adjustment amounting to ₹911.77 crore, arising on business combination, adjusted in Goodwill as per Ind AS - 12 Income Taxes.
- (e) Contribution to Revenue and profit by acquired entity:-
- aa) From the date of acquisition, Mundra LPG Terminal Private Limited has contributed ₹143.82 crore and ₹57.18 crore to the Revenue and loss before tax to the Group respectively. If the combination had taken place at the beginning of the year, revenue and the loss before tax to the Group would have been the same.
- ab) From the date of acquisition, Ocean Sparkle Limited has contributed ₹557.36 crore and ₹204.12 crore to the Revenue and profit before tax to the Group respectively. If the combination had taken place at the beginning of the year, revenue would have been ₹615.11 crore and the profit before tax to the Group would have been ₹204.14 crore respectively.
- ac) From the date of acquisition, Tumb Inland Container Depot has contributed ₹244.24 crore and ₹17.21 crore to the Revenue and profit before tax to the Group respectively.
- ad) From the date of acquisition, Haifa Port Company Limited has contributed ₹354.31 crore and ₹3.37 crore to the Revenue and loss before tax to the Group respectively. If the combination had taken place at the beginning of the year, revenue would have been ₹1,659 crore and the loss before tax to the Group would have been ₹345.31 crore respectively.
- (ii) During the year ended March 31, 2023, Company's subsidiary has acquired 100% equity stake of Saptati Build Estate Private Limited at a consideration of ₹0.001 crore on May 04, 2022 the assets of which mainly comprises of capital advance. The acquisition does not constitute a business combination and hence has been accounted for as an asset acquisition.
- (iii) The Group has completed the acquisition of Oiltanking India GmbH's 49.38% equity stake in Indianoil Adani Ventures Limited ("IAVL") (Formerly known as Indian Oiltanking Limited) and Oiltanking GmbH's 10% equity stake in IOT Utkal Energy Services Limited, a subsidiary of IAVL for the consideration of ₹1,203.84 crore. Consequently subsidiaries of IAVL became joint ventures of the Group.

The Group is in the process of making final determination of fair value of identified assets and liabilities for the purpose of purchase price allocation. Pending final determination, the business combination has been accounted based on provisional fair valuation report.

### 40 Assets classified as held for sale

- i) On acquisition of Adani Krishnapatnam Port Limited ("AKPL"), the assets on the date of control included investments of ₹135.12 crore that were to be carved out and were to be settled separately by AKPL. Said investment as on March 31, 2022 amounting to ₹47.60 crore were included under Assets classified as held for sale. During the current year, the same has been re-classified from Held for sale to Non-current investment.
- ii) In line with guidance from the risk management committee, subsequent to the reporting date, the Group divested its investment in container terminal under construction in Myanmar (held through an overseas

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 40 Assets classified as held for sale (contd.)

subsidiary) to Solar Energy Limited, an unrelated party. Given the continued US Sanctions in Myanmar and urgency to divest the asset, the Group re-evaluated the asset value on 'as is where is' basis through two independent valuers and the sale consideration was renegotiated between the parties. Group explored other potential buyers which did not fructify. Basis the sale agreement, the Group has recorded an impairment of ₹1,273.38 crore factoring net realizable value less cost to complete.

- iii) Adani Vizag Coal Terminal Private Limited ("AVCTPL"), a subsidiary of the Company is engaged in Port services under concession agreement with Visakhapatnam Port Trust ("VPT"). During the previous year, AVCTPL and VPT had initiated termination on mutual consent as per right under the concession agreement citing force majeure events, which went for arbitration. Both the parties have filed the claim with arbitrators and the final outcome is yet to be decided.

During previous year ended on March 31, 2022, the arbitration tribunal, in its interim order, observed that terminal remaining idle leads to its deterioration and fails to generate any revenue. Hence, terminal should be put to operation without any delay and has directed VPT to release an ad-hoc interim payment to AVCTPL. Based on such directions, ad-hoc payment of ₹155 Crore has been received against handing over the possession, management and operational control of the terminal, leaving open all rights and contentions of both parties for examination at a later stage. Pending final outcome of the ongoing arbitration, the group has classified the terminal assets/liabilities as held for sale which includes Non-current assets (Including Property, Plant & Equipments, Intangibles) ₹185.40 crore, Inventories ₹1.35 crore and other liabilities ₹47.55 crore. The ad-hoc payment received has been classified as Advance from customer under current liabilities (refer note 17).

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

₹ In Crore

Name of entity	As at and for the year ended March 31, 2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
<b>Parent Company</b>								
Adani Ports and Special Economic Zone Limited	29.95%	28,702.69	(8.96%)	(479.43)	4.62%	6.57	(8.60%)	(472.86)
<b>Subsidiary Companies</b>								
<b>Indian</b>								
The Adani Harbour Services Limited	8.54%	8,184.96	41.84%	2,239.72	0.04%	0.06	40.76%	2,239.78
Adani Hazira Port Limited	5.57%	5,337.42	20.36%	1,089.88	0.69%	0.98	19.85%	1,090.86
Adani Logistics Limited	11.48%	11,004.08	1.21%	64.86	0.48%	0.68	1.19%	65.54
The Dhamra Port Company Limited	6.75%	6,467.17	11.87%	635.56	(5.59%)	(7.95)	11.42%	627.61
Adani Petronet (Dahej) Port Limited	1.43%	1,369.25	7.21%	385.92	(0.69%)	(0.99)	7.00%	384.94
Shanti Sagar International Dredging Limited	0.72%	694.06	3.44%	184.19	0.01%	0.02	3.35%	184.21
Adani Murmugao Port Terminal Private Limited	(0.35%)	(337.50)	(0.65%)	(35.02)	0.06%	0.09	(0.64%)	(34.94)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Vizag Coal Terminal Private Limited	(0.31%)	(296.21)	0.19%	10.36	-	-	0.19%	10.36
Adani Warehousing Services Private Limited	0.01%	10.26	0.22%	11.99	-	-	0.22%	11.99
Adani Hospitals Mundra Private Limited	0.00%	3.78	(0.00%)	(0.02)	0.01%	0.01	(0.00%)	(0.01)
Mundra International Airport Private Limited	0.00%	1.37	(0.03%)	(1.59)	-	-	(0.03%)	(1.59)
Mundra SEZ Textile And Apparel Park Private Limited	(0.01%)	(10.71)	(0.03%)	(1.63)	-	-	(0.03%)	(1.63)
Adinath Polyfills Private Limited	(0.00%)	(1.70)	(0.00%)	(0.07)	-	-	(0.00%)	(0.07)
Adani Ennore Container Terminal Private Limited	0.48%	460.81	(0.46%)	(24.47)	-	*	(0.45%)	(24.47)
Adani Vizhinjam Port Private Limited	2.55%	2,445.21	(0.04%)	(2.33)	-	-	(0.04%)	(2.33)
Adani Kattupalli Port Limited	0.03%	28.34	0.05%	2.67	-	-	0.05%	2.67
Karnavati Aviation Private Limited	0.33%	320.07	0.16%	8.72	(0.14%)	(0.20)	0.15%	8.52
Hazira Infrastructure Limited	0.03%	25.39	(0.03%)	(1.38)	-	-	(0.03%)	(1.38)
Adani Ports Technologies Private Limited	0.00%	0.03	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Mundra Crude Oil Terminal Private Limited	0.57%	544.73	0.00%	0.01	-	-	0.00%	0.01
Marine Infrastructure Developer Private Limited	2.20%	2,106.97	1.08%	57.75	0.10%	0.14	1.05%	57.89
Blue Star Realtors Limited	1.55%	1,483.62	(0.04%)	(1.98)	(0.25%)	(0.36)	(0.04%)	(2.34)
Madurai Infrastructure Private Limited	0.24%	233.51	(0.00%)	(0.21)	-	-	(0.00%)	(0.21)
Dholera Port and Special Economic Zone Limited	(0.00%)	(2.78)	(0.01%)	(0.35)	-	-	(0.01%)	(0.35)
Adani Kandla Bulk Terminal Private Limited	0.00%	3.69	12.23%	654.84	0.09%	0.13	11.92%	654.97
Dholera Infrastructure Private Limited	(0.00%)	(3.37)	(0.01%)	(0.41)	-	-	(0.01%)	(0.41)
Adani Agri Logistics Limited	0.78%	748.84	0.36%	19.49	0.12%	0.17	0.36%	19.66

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Agri Logistics (MP) Limited	(0.00%)	(0.03)	0.00%	0.02	0.01%	0.01	0.00%	0.03
Adani Agri Logistics (Harda) Limited	0.00%	2.30	0.01%	0.55	0.01%	0.01	0.01%	0.56
Adani Agri Logistics (Hoshangabad) Limited	0.00%	2.33	0.01%	0.66	-	.*	0.01%	0.66
Adani Agri Logistics (Satna) Limited	0.00%	2.38	0.02%	1.00	0.00%	0.01	0.02%	1.01
Adani Agri Logistics (Ujjain) Limited	0.00%	3.83	0.00%	0.05	0.01%	0.02	0.00%	0.07
Adani Agri Logistics (Dewas) Limited	0.00%	3.35	0.01%	0.30	0.01%	0.01	0.01%	0.31
Adani Agri Logistics (Katihar) Limited	0.01%	5.96	0.02%	1.01	-	.*	0.02%	1.01
Adani Agri Logistics (Kotkapura) Limited	0.01%	5.13	0.02%	1.20	0.01%	0.01	0.02%	1.21
Adani Agri Logistics (Kannauj) Limited	0.03%	33.27	(0.04%)	(1.92)	-	.*	(0.03%)	(1.92)
Adani Agri Logistics (Panipat) Limited	0.06%	56.93	(0.03%)	(1.55)	0.03%	0.04	(0.03%)	(1.51)
Adani Agri Logistics (Moga) Limited	0.01%	7.15	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Mansa) Limited	0.00%	3.86	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Bulk Terminals (Mundra) Limited	0.00%	0.03	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Barnala) Limited	0.01%	7.70	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Nakodar) Limited	0.01%	6.23	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Raman) Limited	0.01%	5.16	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Dahod) Limited	0.00%	1.56	-	.*	-	-	-	.*
Adani Warehousing Limited	0.01%	6.53	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Dhamora) Limited	0.01%	6.66	(0.04%)	(1.93)	-	.*	(0.04%)	(1.93)
Adani Agri Logistics (Samastipur) Limited	0.05%	48.61	0.00%	0.05	-	-	0.00%	0.05
Adani Agri Logistics (Darbhanga) Limited	0.03%	29.39	(0.00%)	(0.04)	-	-	(0.00%)	(0.04)
Dermot Infracon Private Limited	0.15%	144.83	(0.00%)	(0.09)	-	-	(0.00%)	(0.09)
Dhamra Infrastructure Private Limited	0.03%	29.79	(0.00%)	(0.08)	-	-	(0.00%)	(0.08)
Adani Logistics Services Private Limited	0.45%	427.16	1.27%	67.78	0.02%	0.03	1.23%	67.81

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Noble Private Limited	0.02%	19.18	0.01%	0.37	-	-	0.01%	0.37
Adani Forwarding Agent Private Limited	0.89%	854.62	0.31%	16.80	-	-*	0.31%	16.80
Adani Container Manufacturing Limited	0.00%	1.15	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Logistics Infrastructure Private Limited	0.00%	1.13	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Container Terminal Limited	0.00%	0.51	0.01%	0.47	-	-	0.01%	0.47
Adani Krishnapatnam Port Limited	2.90%	2,778.81	11.77%	630.06	77.39%	110.08	13.47%	740.14
Adani Krishnapatnam Container Terminal Private Limited	0.01%	4.82	(0.17%)	(9.32)	0.07%	0.10	(0.17%)	(9.22)
Dighi Port Limited	0.92%	880.13	(0.68%)	(36.39)	0.08%	0.12	(0.66%)	(36.27)
Sulochana Pedestal Private Limited	0.46%	442.74	0.01%	0.29	-	-	0.01%	0.29
NRC Limited	0.43%	413.84	1.37%	73.07	-	-	1.33%	73.07
Shankheshwar Buildwell Private Limited	0.34%	324.16	(0.01%)	(0.50)	-	-	(0.01%)	(0.50)
Aqua Desilting Private Limited	-	-*	-	-*	-	-	-	-*
Mundra Solar Technopark Private Limited	0.41%	393.37	0.58%	31.26	-	-	0.57%	31.26
Adani Tracks Management Services Limited	1.24%	1,190.11	5.30%	283.98	0.00%	0.01	5.17%	283.99
AYN Logistics Infra Private Limited	0.00%	0.01	-	-*	-	-	-	-*
Adani Gangavaram Port Limited	5.73%	5,495.98	12.06%	645.57	0.13%	0.19	11.75%	645.76
Gangavaram Port Services (India) Private Limited	(0.00%)	(0.86)	(0.01%)	(0.54)	0.69%	0.98	0.01%	0.44
Seabird Distriparks (Krishnapatnam) Private Limited	(0.01%)	(9.25)	(0.15%)	(8.15)	-	-	(0.15%)	(8.15)
HDC Bulk Terminal Limited	0.00%	0.04	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Savi Jana Sea Foods Private Limited*	0.03%	28.35	0.33%	17.67	-	-	0.32%	17.67
Ocean Sparkle Limited (Consolidated)*	1.53%	1,463.23	3.65%	195.39	4.81%	6.84	3.68%	202.23
Saptati Build Estate Private Limited*	0.00%	1.80	0.03%	1.80	-	-	0.03%	1.80

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Aviation Fuels Limited#	0.00%	0.05	-	.*	-	-	-	.*
Mundra LPG Terminal Private Limited	0.66%	637.22	(0.80%)	(42.82)	0.02%	0.03	(0.78%)	(42.79)
Tajpur Sagar Port Limited#	0.00%	0.05	-	.*	-	-	-	.*
Adani Agri Logistics (Sandila) Limited#	0.00%	0.05	-	.*	-	-	-	.*
Adani Agri Logistics (Gonda) Limited#	0.00%	0.04	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Chandari) Limited#	0.00%	0.04	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics Katihar Two Limited#	0.00%	0.05	-	.*	-	-	-	.*
HM Agri Logistics Limited#	0.00%	0.05	-	-	-	-	-	-
PU Agri Logistics Limited#	0.00%	0.05	-	-	-	-	-	-
Bu Agri Logistics Limited#	0.00%	0.05	-	-	-	-	-	-
<b>Foreign</b>								
Abbot Point Operations Pty Limited (Consolidated)	0.16%	155.20	0.70%	37.52	-	-	0.68%	37.52
Pearl Port Pte. Limited	(0.00%)	(0.22)	(0.00%)	(0.07)	-	-	(0.00%)	(0.07)
Noble Port Pte. Limited	(0.00%)	(0.16)	(0.00%)	(0.04)	-	-	(0.00%)	(0.04)
Coastal International Terminals Pte Limited (refer note 40(ii))	(1.63%)	(1,562.09)	(27.15%)	(1,453.17)	-	-	(26.44%)	(1,453.17)
Anchor Port Holding Pte Limited	(0.01%)	(7.87)	(0.01%)	(0.40)	-	-	(0.01%)	(0.40)
Adani Bangladesh Ports Private Limited	0.01%	5.25	0.00%	0.05	-	-	0.00%	0.05
Adani Yangon International Terminal Company Limited (refer note 40(ii))	0.37%	353.90	(0.03%)	(1.79)	-	-	(0.03%)	(1.79)
Adani Logistics International Pte Limited (upto July 28, 2022)	-	-	-	-	-	-	-	-
Adani International Ports Holdings Pte Limited	0.19%	182.72	1.50%	80.45	-	-	1.46%	80.45
Colombo West International Terminal (Private) Limited	0.43%	411.61	(0.05%)	(2.51)	-	-	(0.05%)	(2.51)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
The Adani Harbour International DMCC#	(0.00%)	(0.91)	(0.02%)	(1.10)	-	-	(0.02%)	(1.10)
Port Harbour Services International Pte. Limited#	0.00%	0.01	-	-	-	-	-	-
Mediterranean International Ports A.D.G.D. Limited#	2.81%	2,692.56	(2.33%)	(124.82)	-	-	(2.27%)	(124.82)
Haifa Port Company Limited*	7.78%	7,454.29	(0.08%)	(4.50)	6.41%	9.12	0.08%	4.62
<b>Non-controlling interest</b>	<b>(1.40%)</b>	<b>(1,338.51)</b>	<b>(1.54%)</b>	<b>(82.57)</b>	<b>(3.94%)</b>	<b>(5.61)</b>	<b>(1.60%)</b>	<b>(88.18)</b>
<b>Joint Venture Entities</b>								
<b>Indian</b>								
Adani International Container Terminal Private Limited	0.57%	543.61	2.45%	131.07	0.06%	0.09	2.39%	131.16
Adani CMA Mundra Terminal Private Limited	0.09%	90.13	0.85%	45.34	0.06%	0.08	0.83%	45.42
Adani NYK Auto Logistics Solutions Private Limited	0.00%	2.56	(0.02%)	(1.21)	-	-	(0.02%)	(1.21)
Adani Total Private Limited (Consolidated)	0.71%	678.47	0.66%	35.37	14.60%	20.77	1.02%	56.14
Dighi Roha Rail Limited	(0.00%)	(0.41)	-	-	-	-	-	-
EZR Technologies Private Limited	0.00%	0.02	-	-*	-	-	-	-
Adani KP Agriwarehousing Private Limited	0.00%	3.61	0.00%	0.18	-	-	0.00%	0.18
Indianoil Adani Ventures Limited (Consolidated)*	0.85%	814.85	0.21%	11.01	(0.03%)	(0.04)	0.20%	10.97
IOT Utkal Energy Services Limited*	0.08%	77.65	0.02%	1.33	-	-	0.02%	1.33
<b>Sub total</b>	<b>100%</b>	<b>95,841.92</b>	<b>100%</b>	<b>5,353.12</b>	<b>100%</b>	<b>142.24</b>	<b>100%</b>	<b>5,495.36</b>
CFS Adjustments and Eliminations		(50,258.34)		(42.94)		(678.85)		(721.79)
<b>Total</b>	<b>100%</b>	<b>45,583.58</b>	<b>100%</b>	<b>5,310.18</b>	<b>100%</b>	<b>(536.61)</b>	<b>100%</b>	<b>4,773.57</b>

-\* Figures being nullified on conversion to ₹ in crore.

\* Company acquired during the year

# Company incorporated during the year.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
<b>Parent Company</b>								
Adani Ports and Special Economic Zone Limited	43.39%	30,011.28	3.32%	147.56	31.97%	7.78	3.48%	155.34
<b>Subsidiary Companies</b>								
<b>Indian</b>								
The Adani Harbour Services Limited	9.03%	6,245.17	34.62%	1,539.12	(0.27%)	(0.07)	34.43%	1,539.05
Adani Hazira Port Limited	6.14%	4,246.56	15.58%	692.56	(2.99%)	(0.73)	15.48%	691.84
Adani Logistics Limited	11.11%	7,682.76	1.06%	47.04	(1.45%)	(0.35)	1.04%	46.69
The Dhamra Port Company Limited	8.44%	5,839.56	12.29%	546.33	(1.72%)	(0.42)	12.21%	545.91
Adani Petronet (Dahej) Port Limited	1.62%	1,122.77	4.20%	186.77	(8.58%)	(2.09)	4.13%	184.68
Shanti Sagar International Dredging Limited	1.62%	1,117.57	6.02%	267.67	(0.12%)	(0.03)	5.99%	267.64
Adani Murmugao Port Terminal Private Limited	(0.44%)	(302.56)	(0.96%)	(42.62)	(0.37%)	(0.09)	(0.96%)	(42.71)
Adani Vizag Coal Terminal Private Limited	(0.44%)	(306.56)	(1.13%)	(50.11)	-	-*	(1.12%)	(50.11)
Adani Warehousing Services Private Limited	(0.00%)	(1.73)	(0.11%)	(4.92)	-	-	(0.11%)	(4.92)
Adani Hospitals Mundra Private Limited	0.01%	3.79	0.01%	0.58	(0.37%)	(0.09)	0.01%	0.49
Mundra International Airport Private Limited	0.00%	2.96	(0.02%)	(1.01)	-	-	(0.02%)	(1.01)
Mundra SEZ Textile And Apparel Park Private Limited	(0.01%)	(9.08)	(0.04%)	(1.92)	-	-	(0.04%)	(1.92)
Adinath Polyfills Private Limited	(0.00%)	(1.63)	(0.00%)	(0.12)	-	-	(0.00%)	(0.12)
MPSEZ Utilities Limited	-	-	0.33%	14.68	0.04%	0.01	0.33%	14.69
Adani Ennore Container Terminal Private Limited	0.52%	362.77	(0.32%)	(14.29)	-	-*	(0.32%)	(14.29)
Adani Vizhinjam Port Private Limited	3.09%	2,140.69	(0.02%)	(0.76)	-	-	(0.02%)	(0.76)
Adani Kattupalli Port Limited	0.04%	25.67	0.06%	2.89	-	-	0.06%	2.89
Karnavati Aviation Private Limited	0.28%	196.55	0.39%	17.18	(0.27%)	(0.07)	0.38%	17.11

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Hazira Infrastructure Limited	0.04%	26.77	0.00%	0.20	-	-	0.00%	0.20
Adani Ports Technologies Private Limited	0.00%	0.04	(0.00%)	(0.03)	-	-	(0.00%)	(0.03)
Mundra Crude Oil Terminal Private Limited	0.30%	207.84	(0.00%)	(0.02)	-	-	(0.00%)	(0.02)
Marine Infrastructure Developer Private Limited	2.96%	2,049.09	(0.29%)	(12.84)	(0.29%)	(0.07)	(0.29%)	(12.91)
Blue Star Realtors Limited	0.48%	330.28	(0.01%)	(0.29)	-	-	(0.01%)	(0.29)
Madurai Infrastructure Private Limited	0.33%	228.61	(0.00%)	(0.09)	-	-	(0.00%)	(0.09)
Dholera Port and Special Economic Zone Limited	(0.01%)	(3.71)	(0.01%)	(0.32)	-	-	(0.01%)	(0.32)
Adani Kandla Bulk Terminal Private Limited	(0.58%)	(401.28)	(2.73%)	(121.34)	(0.60%)	(0.15)	(2.72%)	(121.48)
Dholera Infrastructure Private Limited	(0.01%)	(4.44)	(0.01%)	(0.38)	-	-	(0.01%)	(0.38)
Adani Agri Logistics Limited	0.82%	564.79	0.54%	24.22	(1.03%)	(0.25)	0.54%	23.97
Adani Agri Logistics (MP) Limited	(0.00%)	(0.06)	(0.01%)	(0.23)	(0.04%)	(0.01)	(0.01%)	(0.24)
Adani Agri Logistics (Harda) Limited	0.00%	1.74	0.00%	0.21	(0.02%)	(0.01)	0.00%	0.21
Adani Agri Logistics (Hoshangabad) Limited	0.00%	1.66	0.01%	0.28	(0.03%)	(0.01)	0.01%	0.27
Adani Agri Logistics (Satna) Limited	0.00%	1.37	0.01%	0.34	-	.*	0.01%	0.34
Adani Agri Logistics (Ujjain) Limited	0.01%	3.77	(0.01%)	(0.24)	(0.06%)	(0.01)	(0.01%)	(0.25)
Adani Agri Logistics (Dewas) Limited	0.00%	3.04	(0.00%)	(0.06)	(0.03%)	(0.01)	(0.00%)	(0.07)
Adani Agri Logistics (Katihar) Limited	0.01%	4.95	0.01%	0.31	-	.*	0.01%	0.31
Adani Agri Logistics (Kotkapura) Limited	0.01%	3.91	0.01%	0.43	(0.05%)	(0.01)	0.01%	0.42
Adani Agri Logistics (Kannauj) Limited	0.04%	27.20	(0.02%)	(0.90)	-	-	(0.02%)	(0.90)
Adani Agri Logistics (Panipat) Limited	0.08%	58.51	(0.02%)	(0.78)	-	-	(0.02%)	(0.78)
Adani Agri Logistics (Moga) Limited	0.01%	6.66	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Mansa) Limited	0.01%	3.86	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Bulk Terminals (Mundra) Limited	0.00%	0.05	(0.00%)	(0.02)	-	-	(0.00%)	(0.02)
Adani Agri Logistics (Barnala) Limited	0.01%	7.70	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Nakodar) Limited	0.01%	6.23	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Raman) Limited	0.01%	5.16	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Dahod) Limited	-	-*	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Warehousing Limited	-	-*	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Agri Logistics (Dhamora) Limited	0.01%	5.39	(0.03%)	(1.55)	-	-	(0.03%)	(1.55)
Adani Agri Logistics (Samastipur) Limited	0.02%	14.29	(0.03%)	(1.44)	(0.10%)	(0.02)	(0.03%)	(1.46)
Adani Agri Logistics (Darbhanga) Limited	0.02%	14.02	(0.01%)	(0.43)	(0.05%)	(0.01)	(0.01%)	(0.44)
Dermot Infracon Private Limited	0.20%	135.92	(0.00%)	(0.14)	-	-	(0.00%)	(0.14)
Dhamra Infrastructure Private Limited	0.04%	29.79	(0.00%)	(0.14)	-	-	(0.00%)	(0.14)
Adani Logistics Services Private Limited	0.53%	365.50	1.41%	62.47	(0.40%)	(0.10)	1.40%	62.37
Adani Noble Private Limited	0.03%	18.81	0.01%	0.35	-	-	0.01%	0.35
Adani Forwarding Agent Private Limited	-	-*	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Container Manufacturing Limited	0.00%	1.16	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Logistics Infrastructure Private Limited	0.00%	1.14	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Container Terminal Limited	0.00%	0.04	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Krishnapatnam Port Limited	3.27%	2,259.12	3.45%	153.46	(50.74%)	(12.35)	3.16%	141.11
Adani Krishnapatnam Container Terminal Private Limited	0.02%	14.04	(0.01%)	(0.43)	3.06%	0.74	0.01%	0.31
Adani KP Agriwarehousing Private Limited	-	-	0.03%	1.53	-	-	0.03%	1.53
Dighi Port Limited	1.13%	783.93	(0.87%)	(38.55)	(0.04%)	(0.01)	(0.86%)	(38.56)
Sulochana Pedestal Private Limited	0.58%	400.09	(0.00%)	(0.02)	-	-	(0.00%)	(0.02)
NRC Limited	0.42%	287.84	1.66%	73.75	-	-	1.65%	73.75

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Shankheshwar Buildwell Private Limited	0.43%	294.13	(0.00%)	(0.17)	-	-	(0.00%)	(0.17)
Aqua Desilting Private Limited	0.00%	0.01	-	-*	-	-	-	-
Mundra Solar Technopark Private Limited	0.46%	316.02	-	-	-	-	-	-
Adani Tracks Management Services Limited	1.31%	906.13	8.16%	362.82	(0.09%)	(0.02)	8.12%	362.80
AYN Logistics Infra Private Limited	(0.00%)	(0.04)	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Adani Gangavaram Port Limited	0.70%	484.34	10.87%	483.38	0.70%	0.17	10.82%	483.55
Gangavaram Port Services (India) Private Limited	(0.00%)	(1.31)	0.00%	0.01	1.52%	0.37	0.01%	0.38
Seabird Distriparks (Krishnapatnam) Private Limited	0.00%	1.57	(0.02%)	(0.96)	-	-	(0.02%)	(0.96)
HDC Bulk Terminal Limited	0.00%	0.05	-	-*	-	-	-	-
<b>Foreign</b>								
Abbot Point Operations Pty Limited (Consolidated)	0.18%	121.32	0.68%	30.26	-	-	0.68%	30.26
Pearl Port Pte. Limited	(0.00%)	(0.14)	(0.00%)	(0.05)	-	-	(0.00%)	(0.05)
Noble Port Pte. Limited	(0.00%)	(0.12)	(0.00%)	(0.03)	-	-	(0.00%)	(0.03)
Coastal International Terminals Pte Limited	(0.10%)	(68.86)	(0.46%)	(20.55)	-	-	(0.46%)	(20.55)
Anchor Port Holding Pte Limited	(0.01%)	(6.87)	(0.05%)	(2.34)	-	-	(0.05%)	(2.34)
Adani Bangladesh Ports Private Limited	0.01%	5.92	0.11%	5.11	-	-	0.11%	5.11
Adani Yangon International Terminal Company Limited	0.56%	388.20	(0.00%)	(0.16)	-	-	(0.00%)	(0.16)
Bowen Rail Operations Pte Limited (Up to July 14, 2021)	-	-	-	-*	-	-	-	-
Bowen Rail Company Pty Limited (Up to July 14, 2021)	-	-	(0.16%)	(7.24)	-	-	(0.16%)	(7.24)
Adani Logistics International Pte Limited	(0.00%)	(0.05)	(0.00%)	(0.02)	-	-	(0.00%)	(0.02)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 41 - Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (contd.)

₹ In Crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani International Ports Holdings Pte Limited	(0.00%)	(0.64)	(0.01%)	(0.66)	-	-	(0.01%)	(0.66)
Colombo West International Terminal (Private) Limited	0.31%	215.59	(0.26%)	(11.56)	-	-	(0.26%)	(11.56)
<b>Non-controlling interest</b>	(0.57%)	(392.77)	(1.51%)	(67.15)	(6.62%)	(1.61)	(1.54%)	(68.76)
<b>Joint Venture Entities</b>								
<b>Indian</b>								
Adani International Container Terminal Private Limited	0.60%	412.45	2.90%	128.93	(0.35%)	(0.09)	2.88%	128.85
Adani CMA Mundra Terminal Private Limited	0.06%	44.72	1.03%	45.78	(0.27%)	(0.07)	1.02%	45.72
Adani NYK Auto Logistics Solutions Private Limited	0.00%	0.73	(0.03%)	(1.35)	-	-	(0.03%)	(1.35)
Adani Total Private Limited (Consolidated)	0.88%	607.15	0.42%	18.69	139.65%	33.98	1.18%	52.67
Dighi Roha Rail Limited	(0.00%)	(0.42)	-	-	-	-	-	-
EZR Technologies Private Limited	0.00%	0.03	0.00%	-*	-	-	0.00%	-*
Adani KP Agriwarehousing Private Limited	0.00%	3.43	(0.02%)	(0.83)	-	-	(0.02%)	(0.83)
<b>Associate Entity</b>								
<b>Indian</b>								
Mundra LPG Terminal Private Limited	-	-	(0.00%)	(0.05)	-	-	(0.00%)	(0.05)
<b>Sub total</b>	<b>100%</b>	<b>69,171.91</b>	<b>100%</b>	<b>4,445.73</b>	<b>100%</b>	<b>24.33</b>	<b>100%</b>	<b>4,470.06</b>
CFS Adjustments and Eliminations		(27,183.69)		440.30		(99.40)		340.90
<b>Total</b>	<b>100%</b>	<b>41,988.22</b>	<b>100%</b>	<b>4,886.03</b>	<b>100%</b>	<b>(75.07)</b>	<b>100%</b>	<b>4,810.96</b>

\*- Figures being nullified on conversion to ₹ in crore.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

**42** The Company had entered into preliminary agreement dated September 30, 2014 with a party for development and maintenance of Liquefied Natural Gas ("LNG") terminal infrastructure facilities at Mundra ("the LNG Project").

During the year ended March 31, 2020, due to the disputes between the Company and Customer with respect to construction, operation and maintenance of the LNG Project, part of the cost has been capitalised in Property, Plant and Equipment, Interim Settlement and Arbitration Agreement dated December 24, 2019 was executed. Pursuant thereto, ₹666 crore has been received and arbitration has been invoked by the Company. On July 08, 2020, the Company has filed its claim before Arbitral Tribunal. On October 07, 2020, the customer has also filed counter claim before Arbitral Tribunal. Pending further developments, no adjustments has been made till March 31, 2023.

**43** The management had carried out detailed cash flow projections over the period of the concession agreement in determining the recoverable value of the Property, Plant and Equipment and Intangible Assets comprising of service concession rights in accordance with Ind AS 36, Impairment of Assets in case of Adani Kandla Bulk Terminal Private Limited ("AKBTPL"). The Management has made various estimates relating to cargo traffic, port tariffs, inflation, discount rates, revenue share etc. which are reasonable over the entire concession period and concluded that the recoverable amount of Property, Plant and Equipment and Intangible Assets is higher than their carrying amounts of ₹639.06 crore as at March 31, 2023. Hence, no provision for impairment is considered necessary at this stage.

**44** Adani Murmugao Port Terminal Private Limited ("AMPTPL") was undergoing an arbitration with Murmugao Port Trust ("MPT") for revenue share on deemed storage charges and loss of return of capital to AMPTPL due to failure of MPT to fulfil obligations as per concession agreement for a period till financial year 2018-19. Post financial year 2018-19, AMPTPL has received relief in terms of rationalized tariff on storage charges up to March 2021 from authorities and had filed application for similar relief for subsequent year and awaiting approval.

During the current year, the arbitration had been concluded which affirmed partial claim of AMPTPL for the loss of return on capital and also upheld revenue share on deemed storage for three-year period. In earlier years, AMPTPL had made provision of ₹134.61 crore for the revenue share on deemed storage charges against which ₹40.50 Crore would have been payable as per the arbitration order. Both the parties have challenged the arbitration order in commercial court in the month of August 2022. Considering the matter being sub-judice at this stage, no adjustments based on arbitration order has been considered in the current financial statements.

### 45 Impairment testing of Goodwill

Goodwill acquired through acquisitions and business combinations pertains to following Cash Generating Units (CGUs).

Particulars	₹ in Crore	
	As at March 31, 2023	As at March 31, 2022
The Dhamra Port Company Limited	2,559.31	2,559.31
Adani Kandla Bulk Terminal Private Limited	0.06	0.06
Abbot Point Bulkcoal Pty Limited	2.21	2.29
The Adani Harbour Services Limited	20.53	20.53
Adani Petronet (Dahej) Port Limited	0.22	0.22
Adani Logistics Limited	2.71	2.71
Adinath Polyfills Private Limited	37.42	37.42
Marine Infrastructure Developer Private Limited	143.26	143.26
Adani Agri Logistics Limited and its subsidiaries	455.84	455.84
Dermot Infracon Private Limited	0.02	0.02
Adani Logistics Services Private Limited and its subsidiaries	20.17	20.17

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 45 Impairment testing of Goodwill (contd.)

₹ in Crore

Particulars	As at March 31, 2023	As at March 31, 2022
Adani Krishnapatnam Port Limited and its subsidiaries	760.41	760.41
Mundra Solar Technopark Private Limited	93.14	93.14
Adani Tracks Management Services Limited (formerly known as Sarguja Rail Corridor Private Limited) pursuant to Composite Scheme	1,777.64	1,777.64
Adani Gangavaram Port Limited (refer note 39)	790.86	790.86
Gangavaram Port Services (India) Private Limited (refer note 39)	2.69	2.69
Mundra LPG Terminal Private Limited (refer note 39)	56.85	-
Adani Forwarding Agent Private Limited (refer note 39)	23.02	-
Haifa Port Company Limited (refer note 39)	172.18	-
Goodwill on Merger of Adani Port Limited	44.86	44.86
<b>Total</b>	<b>6,963.40</b>	<b>6,711.43</b>

#### Notes:

The goodwill is tested for impairment annually and as at March 31, 2023, the goodwill was not impaired.

The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates ranging from 5% to 20%.

The rates used to discount the forecasts is 7.5% to 14%.p.a.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount ₹6,963.40 crore (net of deferred tax liability ₹4,890.75 crore) to exceed its recoverable amount.

**46** Adani Vizhinjam Port Private Limited ("AVPPL"), a wholly owned subsidiary of the Company was awarded Concession Agreement ("CA") dated August 17, 2015 by Government of Kerala for development of Vizhinjam International Deepwater Multipurpose Seaport ("Project"). In terms of the CA, the scheduled Commercial Operation Date ("COD") of the Project was December 03, 2019 extendable to August 30, 2020 with certain conditions. As at reporting date, the Project development is still in progress although COD is past due in terms of CA. In respect of delay in COD, AVPPL has made several representations to Vizhinjam International Sea Port Limited ("VISL", the Implementing Agency on behalf of the Government) and Department of Ports, Government of Kerala in respect to difficulties faced by AVPPL including reasons attributable to the government authorities and Force Majeure events such as Ockhi Cyclone, High Waves, National Green Tribunal Order and COVID 19 pandemic etc. which led to delay in development of the project and AVPPL not achieving COD.

Considering the above reasons and authority's rights to terminate the CA on completion of extendable COD, AVPPL issued a Notice of Disputes to Secretary and Principle Secretary of Ports, Government of Kerala under Clause 45.1 of the CA on July 26, 2020 followed by a Notice of Conciliation on August 04, 2020 under Clause 45.2 of the CA. On November 07, 2020, AVPPL issued a Notice of Arbitration in terms of Clause 45.3 of the CA which led to commencement of the arbitration proceedings through appointment of the nominee arbitrator on behalf of the Authorities and presiding arbitrator in the matter w.e.f. February 05, 2021 and February 25, 2021 respectively.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 46 (contd.)

As at March 31, 2023, resolution of disputes with the VISL/Government authorities and the arbitration proceedings are still in progress. The Government Authorities continue to have right to take certain adverse action including termination of the Concession Agreement and levying liquidated damages at a rate of 0.1% of the amount of performance security for each day of delay in project completion in terms of the CA.

The management represents that the project development is in progress with revised timelines which has to be agreed with the authorities. AVPPL's management represents that it is committed to develop the project and has tied up additional equity and debt funds to meet any additional costs on account of delay net of any arbitration receipts and also received extension in validity of the environmental clearance from the Government for completion of the Project. Based on the above developments and on the basis of favorable legal opinion from the external legal counsel in respect of likely outcome of the arbitration proceedings, the management believes it is not likely to have significant financial impact on account of the disputes which are required to be considered for the purpose of these financial statements.

Pending settlement of arbitration dispute with the Government of Kerala and project development being still under progress, AVPPL will revise the Project Cost including revision in EDC cost on account of various force majeure events which delayed the achievement of COD as per the terms of the CA. AVPPL has also applied for Viability Gap Funding ("VGF" or "Equity Support Grant") claim of ₹1,227 Crore from the authority, as per the Article 25 of the CA and has received the final approval from DEA, Government of India on October 10, 2022.

AVPPL is expecting the signing of the Tripartite Agreement as per the VGF guidelines in the coming months which is a prerequisite for disbursement of VGF. Concessionaire has submitted the claim for completion of 30% of Funded works amounting to ₹346.75 Crore which has been approved by Independent Engineer and Authority on February 09, 2023 and AVPPL is in receipt of part payment of ₹100 crore as on March 31, 2023 and the balance amount is expected to be received in the coming months.

Considering the above, as at March 31, 2023, AVPPL has assessed the value in use of the Project based on the cost incurred till reporting date and additional cost including revision in EDC Cost which shall be incurred for completion of project. As per the assessment made by the management, the value in use of the Project continues to be positive with expected favorable settlement with the authorities and considering significant transshipment cargo business opportunity due to strategic location of the Project.

### 47 Pursuant to Build, own, operate agreement with Food corporation of India (FCI), subsidiary company Adani Agri Logistics Limited ("AALL") developed a field depot on leasehold land owned by eastern railways (lessor), upon expiry of the lease agreement, the lessor could not renew lease agreement and consequently the company could not transport food grains at same depot. This resulted in FCI stopping payment for revenues. Accordingly company has stopped recognizing the revenue for the said period.

Now, under PM Gati Shakti framework, the Indian Railway introduced new Policy named "Policy for Management of Railway Land" dated 04.10.2022, whereby, Railway may grant Railway land on lease to the private entities for a period of 35 years. The Policy also permitted the existing users to migrate to the new Policy.

Accordingly, under the new Railway Policy, AALL have submitted application to the Eastern Railway to extend the land lease in Bandel in favour of AALL.

Railway has accepted request of AALL and has extended the land lease for an initial period of 5 years w.e.f. 01.04.2023 which will be extendable by every 5 years upto a maximum of 35 years. Accordingly, the Land Lease Agreement has been signed between Eastern Railway and Adani Agri Logistics Limited on 27th March 2023.

AALL have submitted letters to FCI and Food Ministry on the above development. FCI has written to Ministry to grant approval for start of operations in Bandel. AALL expect to get the approval shortly.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

**48** The subsidiary company Adani Agri Logistics Limited ("AALL") had entered into an Agreement with FCI on June 28, 2005 for a concession period of 20 years from "Operations Date", whereby it was supposed to develop Silo Terminals with Railway Sidings on BOO basis and procure specialized Rail wagons within 3 years. AALL installed and commissioned two largest units i.e., Moga (Punjab) and Kaithal (Haryana) having Silos of 200000 MT capacity each within a period of 2 years in 2007 i.e., much before the deadline of 3 years and put to the service of FCI. Subsequent units of Navi Mumbai, Hooghly, Chennai, Coimbatore and Bangalore were commissioned in 2008 & 2009. For the delay in execution of these units, AALL had duly paid liquidated damages to FCI as per the contract terms. One of the obligations to be fulfilled by AALL was to provide certain number of specialized wagons (i.e., Rakes) to facilitate the bulk movement of food grain stocks from producing areas of Moga and Kaithal to the consuming areas. Since this was a pilot project and specialized wagons were being introduced for the first time in India, number of rakes required for the project remained a debatable issue between RITES (the consultants) and Railway Board. AALL initially procured 260 wagons i.e., 5 rakes. However, FCI insisted for 364 wagons i.e., 7 rakes. Eventually, AALL procured 104 more wagons i.e., two more rakes to make total of 7 rakes on September 28, 2013. Meanwhile, AALL continued serving FCI to the full capacity during this period. As per contract, FCI was supposed to give Annual Guaranteed Tonnage (AGT) and WPI based escalation in service charges. Since FCI considered September 28, 2013 as the actual "Operations date" when the project was 100% complete, they did not give WPI escalation to AALL for the period from 2007 till September 28, 2013. FCI also did not give Guaranteed Tonnage for this period. FCI kept this period on Actual Utilization Basis (AUB). Also, FCI kept the 20 years Concession Period from 2007 till 2027. As per Agreement terms, the AGT will be reduced from 100% to 75% from 11th year of operations. Since FCI considered 2007 as first year of operations, the AGT was reduced to 75% from 2017 i.e., 11th year of operations. After a series of deliberations and consultations with FCI, the matter was referred to Arbitration Tribunal, AALL prayed as follows:

- a) FCI should pay WPI based escalation from 2007 as AALL had been providing uninterrupted services to FCI since beginning. WPI is kept to absorb inflation irrespective of the fact that the unit was on AGT or AUB.
- b) Alternatively, if FCI considers September 28, 2013 as "Operations Date", the 20 years Concession Period should be fixed from 2013 till 2033.

On 2nd October, 2021 Arbitral Award was pronounced in the favor of company, as per the award Service Period in terms of Clause 4.1 of the Service Agreement (20 years) must be reckoned from 28.09.2013 as a result of which company's concession period has been extended by 6 years upto 2033. Further FCI has filed appeal against the Arbitral Award in High Court. Matter is pending before Delhi High Court.

**49** In previous year, revenue from operations includes income from completion of development of Jetty infrastructure which is given on Right-to-Use basis over the concession period and upfront realized fair value considerations of the Jetty infrastructure. The relevant cost of construction has been included in operating expenses.

**50** Effective from July 01, 2022, the Group, in line with its updated risk management approach, has designated highly probable foreign currency forecasted revenues as hedge item and non-derivative foreign currency financial liability of equivalent amount as hedging instrument under Cash Flow Hedge relationship. The Group has recognised the effective portion of hedge of ₹548.50 crore (net of taxes) under Other Comprehensive Income, which will be reassessed on cumulative basis at each reporting period. The amount parked in Other Comprehensive Income will be recycled to the Statement of Profit and loss as and when the underlying forecasted transactions occur. Gain/(loss) on foreign currency fluctuation on undesignated portion of foreign currency financial liabilities, ineffective portion of hedge and recycled amount from Other Comprehensive Income are recognised in Statement of Profit and Loss.

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

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

**52** On March 31, 2023, The National Company Law Tribunal ("NCLT") has passed the order approving the Company ("APSEZL") to be successful resolution applicant for Karaikal Port Private Limited ("KPPL") under Corporate Insolvency Resolution Process ("CIRP") with equity of ₹1 crore and debt of ₹1,485 crore.

As at March 31, 2023 in absence of dissolution of Implementation & Monitoring Committee as defined in NCLT order and pending formulation of new board of directors by the acquirer, the Company was not in a position to exercise control over the KPPL on reporting date. Accordingly KPPL has not been consolidated in the financial statements. Subsequent to the reporting date, on April 04, 2023, the Board as mentioned above has been formulated by the Company and the Company has exercised the control over KPPL effective from that date.

**53 Based on information available with the Group, balances with Struck off Companies are as below**

₹ in crore

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2023	Relationship with the struck off company, if any, to be disclosed
Benchmark Supply Chain Solution Private Limited	Advance received	*	Customer
Cleford Shipping Company	Receivables	*	Customer
Deepika Electronics & Engineering Private Limited	Purchase of materials	0.04	Vendor
Five Star Stevedores Private Limited	Service availed	0.02	Vendor
Map Logistics Private Limited	Deposit from Customer	*	Customer
Metro Creative Concepts Private Limited	Payables	*	Vendor
Ocean Shell Projects Private Limited	Deposit from Customer	0.03	Customer
Ocean Shell Projects Private Limited	Receivables	*	Customer
Quest Logistics Private Limited	Service availed	*	Customer
Ramnath And Company Private Limited	Advance from Customer	*	Customer
Shiv Bhole Logistics And Shipping	Deposit from Customer	*	Customer
Sumeet Silk Mills	Advance received	*	Customer
Transmarine Agencies India Private Limited	Deposit from Customer	0.02	Customer
Kothari Intergroup Limited	NA	NA	Share Holder
RI's Advisory Private Limited	NA	NA	Share Holder
Pooja Shares And Management Services Private Limited	NA	NA	Share Holder
Kautilya Venture Capital Company Limited	NA	NA	Share Holder
Adi Logistics Private Limited	Rendering of Service	0.16	Customer
Apex Cargo Movers & Services Private Limited	Rendering of Service	0.13	Customer

\* Figures being nullified on conversion to ₹ in crore

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2022	Relationship with the struck off company, if any, to be disclosed
Classic Enterprises Private Limited	Advance from Customer	0.06	Customer
Sumeet Silk Mills	Advance from Customer	*	Customer

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 53 Based on information available with the Group, balances with Struck off Companies are as below (contd.)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2022	Relationship with the struck off company, if any, to be disclosed
Entire Logistics Private Limited	Rendering of Services	*	Customer
Trans Tools Private Limited	Rendering of Services	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Deepika Electronics & Engineering Private Limited	Purchase of materials	0.04	Vendor
V I Furnishings Private Limited	Payables	0.02	Vendor
Five Star Stevedores Private Limited	Services availed	0.02	Vendor
Cream Packs Private Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in crore

### 54 Details of the funds loaned or invested by the Group to Intermediaries for further Loan or investment to the Ultimate beneficiaries

For the year ended March 31, 2023

₹ in Crore

Name of the intermediary to which the funds are Loaned or Invested	Date on which funds are Loaned or Invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte Limited (Formerly known as Adani International Terminals Pte Limited)	May 10, 2022	5.90	July 28, 2022	1.20	Adani Yangon International Terminal Company Limited
			August 22, 2022	1.19	
			September 7, 2022	0.01	
			September 12, 2022	0.11	
			September 14, 2022	0.28	
			September 19, 2022	0.55	
			September 22, 2022	0.01	
			September 23, 2022	1.84	
			November 7, 2022	0.71	
			June 15, 2022	3.12	
	November 4, 2022	36.58	November 9, 2022	4.20	
			November 14, 2022	5.40	
			November 17, 2022	5.58	
			November 23, 2022	5.39	
			December 1, 2022	5.48	
			January 25, 2023	0.19	
			January 26, 2023	3.63	
			January 26, 2023	2.56	
			January 26, 2023	1.46	
			February 1, 2023	0.02	
February 1, 2023	0.13				
February 6, 2023	0.07				
February 23, 2023	0.82				
March 15, 2023	1.65				

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 54 Details of the funds loaned or invested by the Group to Intermediaries for further Loan or investment to the Ultimate beneficiaries (contd.)

₹ in Crore

Name of the intermediary to which the funds are Loaned or Invested	Date on which funds are Loaned or Invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Adani International Ports Holdings Pte Limited	July 22, 2022	3.19	July 29, 2022	3.19	Colombo West International Terminal (Private) Limited
	August 5, 2022	35.58	August 8, 2022	35.58	
	November 15, 2022	18.67	November 17, 2022	18.67	

### For the year ended March 31, 2022

₹ in Crore

Name of the intermediary to which the funds are Loaned or Invested	Date on which funds are Loaned or Invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte Limited (Formerly known as Adani International Terminals Pte Limited)	May 11, 2021	44.08	May 12, 2021	44.08	Adani Yangon International Terminal Company Limited
	July 06, 2021	37.28	July 07, 2021	37.28	
	August 17, 2021	18.58	August 20, 2021	18.58	
	September 27, 2021	10.70	September 27, 2021	10.70	
	October 18, 2021	15.07	October 21, 2021	2.26	
			October 26, 2021	12.81	
	November 15, 2021	29.00	November 17, 2021	29.00	
	November 22, 2021	44.66	November 24, 2021	44.66	
	January 25, 2022	88.97	January 27, 2022	46.35	
			February 03, 2022	7.48	
February 07, 2022			1.50		
February 15, 2022			2.99		
March 4, 2022	5.23	March 4, 2022	25.42		
		March 28, 2022	5.23		
Adani International Ports Holdings Pte Limited	February 28, 2022	114.59	March 4, 2022	115.35	Colombo West International Terminal Private Limited
	March 03, 2022	0.76			

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

### 54 Details of the funds loaned or invested by the Group to Intermediaries for further Loan or investment to the Ultimate beneficiaries (contd.)

₹ in Crore

Name of the intermediary to which the funds are Loaned or Invested	Date on which funds are Loaned or Invested to Intermediary	Amount of funds Loaned or Invested	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Adani Total Private Limited	May 28, 2021	3.60	July 01, 2021	3.60	Total Adani Fuels Marketing Private Limited
			July 20, 2021		
			November 26, 2021		
	July 15, 2021	361.94	July 19, 2021	361.94	Dhamra LNG Terminal Private Limited
March 21, 2022	250.00	March 22, 2022	250.00		

#### Notes :

- In above figures, foreign currency values are converted into INR on respective dates.
- The Group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

#### Complete details of the intermediary and Ultimate Beneficiary

Name of the entity	Registered Address	Relationship with the Company
Coastal International Terminals Pte Limited (Formerly known as Adani International Terminals Pte Limited)	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary
Adani International Ports Holdings Pte Limited	3. Anson Road, #22-01 Springleaf Tower, Singapore 079909	Wholly Owned Subsidiary
Adani Yangon International Terminal Company Limited	Plot No. 23 G/4 , 23R/ 2A, Ahlon Port Compound Ahlon Township, Yangon, Myanmar	Stepdown Subsidiary
Colombo West International Terminal (Private) Limited	117, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, Sri Lanka	Stepdown Subsidiary
Adani Total Private Limited	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat	Joint Venture entity
Dhamra LNG Terminal Private Limited	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat	Joint Venture entity
Total Adani Fuels Marketing Private Limited	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat	Joint Venture entity

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

## 55 Statutory information

- (i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- (ii) The Group was not required to file quarterly statement/returns of current assets with the banks or financial institutions w.r.t. secured working capital borrowings.

## 56 Standards issued but not effective:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective.

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

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

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

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

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

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

**58** The company has been working with a EPC contractor for its capital projects over a decade. The payment terms have been negotiated to secure contractor capacity, reduced cost / overruns and improved operational efficiency of the projects. The contractor has successfully delivered the projects without defaults and with highest operating credentials. The net balance outstanding on such contracts as on reporting date stood at ₹3,749.65 crore, which includes purchase contracts worth ₹1,501.50 crore and security deposits of ₹2,036.63 crore carrying interest @8% p.a. and other receivables of ₹211.52 crore. The security deposits approximate to about 20% of the cost of projects under execution. Of the security deposits, deposits for which projects are in progress amount ₹1,783 crore and the balance are for projects under engineering and design stage. The security deposits are refundable either on completion or termination of the project against which the said security deposit was given and in every instance the deposits were returned when due along with interest. The company has also obtained an independent opinion from a reputed law firm that the contractor is an unrelated party.

## 59 Events occurred after the Balance Sheet Date

- (i) The Board of Directors of the Company has recommended Equity dividend of ₹5 per equity share (previous year ₹5 per equity share).
- (ii) On May 04, 2023, the Company has entered into Binding Share Purchase Agreement with Solar Energy Limited for divestment of Investment in container terminal under construction in Myanmar (held through an overseas subsidiary) (refer note 40 (ii)).
- (iii) Pursuant to approval of the Finance Committee of the Board of Directors of the Company in its meeting held on April 22, 2023, the Company has completed the early settlement of Notes tendered pursuant to the Tender Offer to purchase for cash up to US\$130 million in aggregate principal amount of the outstanding 3.375% Senior Notes due in 2024 (the "Notes") on May 10, 2023. Subsequently, the Company has cancelled US\$130 million of the outstanding Notes.

### For and on behalf of the Board of Directors

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

**D. Muthukumaran**  
Chief Financial Officer

**Kamlesh Bhagia**  
Company Secretary  
Place : Ahmedabad  
Date : May 30, 2023

## FORM - AOC - 1

## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

## PART "A" :- Subsidiaries

₹ in Crore, Foreign Currencies in Million															
No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
1	The Adani Harbour Services Limited	2022-23	INR	57.69	8,127.27	8,913.42	728.46	-	2,419.16	2,282.57	2,239.72	0.06	2,239.78	-	100%
2	Adani Hazira Port Limited	2022-23	INR	715.47	4,621.95	6,326.26	988.84	150.22	1,645.13	1,113.57	1,089.88	0.98	1,090.86	-	100%
3	Adani Logistics Limited	2022-23	INR	655.00	10,349.08	12,591.83	1,587.75	984.64	1,040.71	85.35	64.86	0.68	65.54	-	100%
4	The Dhamra Port Company Limited	2022-23	INR	1,148.00	5,319.17	7,281.31	814.14	286.33	1,591.80	689.10	635.56	(7.95)	627.61	-	100%
5	Adani Petronet (Dahel) Port Limited	2022-23	INR	346.15	1,023.10	1,458.36	89.11	27.20	613.81	356.24	385.92	(0.99)	384.94	-	74%
6	Shanti Sagar International Dredging Limited	2022-23	INR	135.05	559.01	1,148.96	454.90	-	450.07	195.18	184.19	0.02	184.21	-	100%
7	Adani Murugao Port Terminal Private Limited	2022-23	INR	115.89	(453.39)	357.49	694.99	-	115.40	(35.02)	(35.02)	0.09	(34.94)	-	100%
8	Adani Vizag Coal Terminal Private Limited	2022-23	INR	101.28	(397.49)	208.20	504.41	-	-	10.36	10.36	-	10.36	-	100%
9	Adani Warehousing Services Private Limited	2022-23	INR	0.05	10.21	15.28	5.02	-	37.35	13.64	11.99	-	11.99	-	100%
10	Adani Hospitals Mundra Private Limited	2022-23	INR	0.30	3.48	8.59	4.81	-	11.49	(0.01)	(0.02)	0.01	(0.01)	-	100%
11	Mundra International Airport Private Limited	2022-23	INR	3.50	(2.13)	5.64	4.27	-*	1.64	(1.59)	(1.59)	-	(1.59)	-	100%
12	Mundra SEZ Textile And Apparel Park Private Limited	2022-23	INR	4.91	(15.63)	35.41	46.12	-	5.13	(1.63)	(1.63)	-	(1.63)	-	55.28%
13	Adinath Polyfills Private Limited	2022-23	INR	0.12	(1.82)	1.11	2.81	-	-	(0.07)	(0.07)	-	(0.07)	-	100%

# FORM - AOC - 1

## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

### PART "A" :- Subsidiaries

₹ in Crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
14	Adani Ennore Container Terminal Private Limited	2022-23	INR	315.00	145.81	806.03	345.22	0.01	184.80	(24.44)	(24.47)	-	(24.47)	-	100%
15	Adani Vizhinjam Port Private Limited	2022-23	INR	897.00	1,548.21	3,641.12	1,195.91	0.70	-	(3.15)	(2.33)	-	(2.33)	-	100%
16	Adani Kattupalli Port Limited	2022-23	INR	0.05	28.29	34.41	6.06	-	16.46	3.71	2.67	-	2.67	-	100%
17	Karnavati Aviation Private Limited	2022-23	INR	45.00	275.07	756.16	436.09	-	192.66	8.72	8.72	(0.20)	8.52	-	100%
18	Hazira Infrastructure Limited	2022-23	INR	24.20	1.19	26.55	1.16	-	-	(1.37)	(1.38)	-	(1.38)	-	100%
19	Adani Ports Technologies Private Limited	2022-23	INR	0.05	(0.02)	0.03	-	0.03	-	(0.01)	(0.01)	-	(0.01)	-	100%
20	Mundra Crude Oil Terminal Private Limited	2022-23	INR	0.05	544.68	728.77	184.04	-	-	0.01	0.01	-	0.01	-	100%
21	Marine Infrastructure Developer Private Limited	2022-23	INR	400.00	1,706.97	2,405.24	298.26	0.01	282.90	78.36	57.75	0.14	57.89	-	97%
22	Blue Star Realtors Limited	2022-23	INR	6.91	1,476.70	1,514.02	30.40	255.64	6.55	(1.98)	(1.98)	(0.36)	(2.34)	-	100%
23	Madurai Infrastructure Private Limited	2022-23	INR	0.05	233.46	233.55	0.04	-	-	(0.21)	(0.21)	-	(0.21)	-	100%
24	Dholera Port and Special Economic Zone Limited	2022-23	INR	1.61	(4.39)	0.16	2.94	-	-	(0.35)	(0.35)	-	(0.35)	-	49%
25	Adani Kandla Bulk Terminal Private Limited	2022-23	INR	120.05	(116.36)	741.05	737.36	-	231.85	654.84	654.84	0.13	654.97	-	100%
26	Dholera Infrastructure Private Limited	2022-23	INR	0.01	(3.38)	0.07	3.43	-	-	(0.41)	(0.41)	-	(0.41)	-	49%
27	Adani Agri Logistics Limited	2022-23	INR	99.83	649.01	949.55	200.72	-	101.87	26.60	19.49	0.17	19.66	-	100%

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## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

## PART "A" :- Subsidiaries

₹ in Crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
28	Adani Agri Logistics (IMP) Limited	2022-23	INR	1.00	(1.03)	11.29	11.31	-	1.99	0.02	0.02	0.01	0.03	-	100%
29	Adani Agri Logistics (Harda) Limited	2022-23	INR	1.00	1.30	12.18	9.88	-	1.83	0.56	0.55	0.01	0.56	-	100%
30	Adani Agri Logistics (Hoshangabad) Limited	2022-23	INR	1.00	1.33	12.04	9.71	-	1.81	0.75	0.66	.*	0.66	-	100%
31	Adani Agri Logistics (Satna) Limited	2022-23	INR	1.00	1.38	11.68	9.30	-	2.43	1.19	1.00	0.01	1.01	-	100%
32	Adani Agri Logistics (Ujjain) Limited	2022-23	INR	1.00	2.83	8.30	4.46	-	1.76	0.05	0.05	0.02	0.07	-	100%
33	Adani Agri Logistics (Dewas) Limited	2022-23	INR	1.00	2.35	9.76	6.41	-	1.76	0.33	0.30	0.01	0.31	-	100%
34	Adani Agri Logistics (Kathar) Limited	2022-23	INR	1.00	4.96	48.99	43.03	-	2.48	1.94	1.01	.*	1.01	-	100%
35	Adani Agri Logistics (Kotkapura) Limited	2022-23	INR	1.00	4.13	21.70	16.57	-	1.59	1.56	1.20	0.01	1.21	-	100%
36	Adani Agri Logistics (Kannauj) Limited	2022-23	INR	1.00	32.27	93.25	59.98	-	0.45	(1.92)	(1.92)	.*	(1.92)	-	100%
37	Adani Agri Logistics (Panipat) Limited	2022-23	INR	1.00	55.93	120.38	63.46	-	3.72	(1.55)	(1.55)	0.04	(1.51)	-	100%
38	Adani Agri Logistics (Moga) Limited	2022-23	INR	1.00	6.15	7.16	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
39	Adani Agri Logistics (Mansa) Limited	2022-23	INR	1.00	2.86	3.86	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%

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## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

### PART "A" :- Subsidiaries

₹ in Crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
40	Adani Bulk Terminals (Mundra) Limited	2022-23	INR	1.00	(0.97)	60.96	60.93	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
41	Adani Agri Logistics (Barnala) Limited	2022-23	INR	1.00	6.70	7.71	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
42	Adani Agri Logistics (Nakodar) Limited	2022-23	INR	1.00	5.23	6.23	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
43	Adani Agri Logistics (Raman) Limited	2022-23	INR	1.00	4.16	5.17	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
44	Adani Agri Logistics (Dahod) Limited	2022-23	INR	0.05	1.51	1.72	0.17	-	-	*	*	-	*	-	100%
45	Adani Warehousing Limited	2022-23	INR	0.05	6.48	7.94	1.41	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
46	Adani Agri Logistics (Dhamora) Limited	2022-23	INR	0.05	6.61	41.97	35.31	-	8.55	(1.93)	(1.93)	*	(1.93)	-	100%
47	Adani Agri Logistics (Samastipur) Limited	2022-23	INR	0.05	48.56	92.53	43.92	-	-	0.05	0.05	-	0.05	-	100%
48	Adani Agri Logistics (Darbhanga) Limited	2022-23	INR	0.05	29.34	86.05	56.66	-	-	(0.04)	(0.04)	-	(0.04)	-	100%
49	Dermot Infracon Private Limited	2022-23	INR	0.01	144.82	154.85	10.02	-	-	(0.09)	(0.09)	-	(0.09)	-	100%
50	Dhamra Infrastructure Private Limited	2022-23	INR	50.11	(20.32)	29.80	0.01	-	-	(0.08)	(0.08)	-	(0.08)	-	100%
51	Adani Logistics Services Private Limited	2022-23	INR	183.01	244.15	472.27	45.11	-	317.83	88.83	67.78	0.03	67.81	-	98.40%

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## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

## PART "A" :- Subsidiaries

₹ in Crore, Foreign Currencies in Million															
No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
52	Adani Noble Private Limited	2022-23	INR	0.05	19.13	19.19	0.01	-	0.33	0.37	0.37	-	0.37	-	98.40%
53	Adani Forwarding Agent Private Limited	2022-23	INR	0.05	854.57	982.95	128.33	-	244.24	17.21	16.80	-*	16.80	-	100%
54	Adani Container Manufacturing Limited	2022-23	INR	0.96	0.19	1.16	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
55	Adani Logistics Infrastructure Private Limited	2022-23	INR	0.96	0.17	1.14	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	98.40%
56	Adani Container Terminal Limited	2022-23	INR	0.05	0.46	341.88	341.37	-	-	0.47	0.47	-	0.47	-	100%
57	Adani Krishnapatnam Port Limited	2022-23	INR	88.58	2,690.23	9,726.02	6,947.21	243.29	2,332.07	801.21	630.06	110.08	740.14	0.01	100%
58	Adani Krishnapatnam Container Terminal Private Limited	2022-23	INR	0.01	4.81	21.75	16.94	-	20.81	(9.32)	(9.32)	0.10	(9.22)	-	100%
59	Dighi Port Limited	2022-23	INR	1.00	879.13	902.64	22.51	0.05	14.55	(36.39)	(36.39)	0.12	(36.27)	-	100%
60	Sulochana Pedestal Private Limited	2022-23	INR	1.00	441.74	442.77	0.03	-	-	0.42	0.29	-	0.29	-	100%
61	NRC Limited	2022-23	INR	1.00	412.84	517.13	103.30	-	-	72.98	73.07	-	73.07	-	100%
62	Shankshwar Buildwell Private Limited	2022-23	INR	0.01	324.15	326.44	2.28	-	-	(0.50)	(0.50)	-	(0.50)	-	100%
63	Aqua Desilting Private Limited	2022-23	INR	0.01	(0.01)	0.01	-*	-	-	-*	-*	-	-*	-	100%
64	Mundra Solar Technopark Private Limited	2022-23	INR	4.98	388.39	1,585.41	1,192.04	-	214.20	31.26	31.26	-	31.26	-	49%
65	Adani Tracks Management Services Limited	2022-23	INR	200.00	990.11	1,813.96	623.85	-	660.93	376.48	283.98	0.01	283.99	-	100%

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## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

### PART "A" :- Subsidiaries

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
66	AYN Logistics Infra Private Limited	2022-23	INR	0.01	*.	2.57	2.56	-	-	*.	*.	-	*.	-	100%
67	Adani Gangavaram Port Limited	2022-23	INR	0.05	5,495.93	6,762.21	1,266.23	133.07	1,528.85	722.25	645.57	0.19	645.76	-	100%
68	Gangavaram Port Services (India) Private Limited	2022-23	INR	1.00	(1.86)	5.43	6.30	-	43.77	(0.73)	(0.54)	0.98	0.44	-	100%
69	Seabird Distriparks (Krishnapatnam) Private Limited	2022-23	INR	0.31	(9.56)	32.63	41.88	-	7.91	(8.25)	(8.15)	-	(8.15)	-	100%
70	HDC Bulk Terminal Limited	2022-23	INR	0.05	(0.01)	0.73	0.68	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
71	Savi Jana Sea Foods Private Limited	May 10, 2022 to March 31, 2023	INR	0.20	28.15	32.07	3.72	-	-	17.70	17.67	-	17.67	-	100%
72	Ocean Sparkle Limited (Consolidated)	May 10, 2022 to March 31, 2023	INR	21.65	1,441.58	1,703.20	239.97	35.88	557.36	204.11	195.39	6.84	202.23	-	98.52%
73	Saptati Build Estate Private Limited	May 04, 2022 to March 31, 2023	INR	*.	1.80	29.17	27.37	-	3.88	2.41	1.80	-	1.80	-	100%
74	Adani Aviation Fuels Limited	September 29, 2022 to March 31, 2023	INR	0.05	*.	0.05	*.	-	-	*.	*.	-	*.	-	100%
75	Mundra LPG Terminal Private Limited	April 30, 2022 to March 31, 2023	INR	0.10	637.12	1,275.05	637.83	-	143.82	(57.18)	(42.82)	0.03	(42.79)	-	48.97%
76	Tajpur Sagar Port Limited	October 21, 2022 to March 31, 2023	INR	0.05	*.	0.05	*.	-	-	*.	*.	-	*.	-	100%

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## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

## PART "A" :- Subsidiaries

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
77	Adani Agri Logistics (Sandia) Limited	November 18, 2022 to March 31, 2023	INR	0.05	.*	0.05	.*	-	-	.*	.*	-	.*	-	100%
78	Adani Agri Logistics (Gonda) Limited	November 22, 2022 to March 31, 2023	INR	0.05	(0.01)	0.05	.*	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
79	Adani Agri Logistics (Chandan) Limited	November 21, 2022 to March 31, 2023	INR	0.05	(0.01)	0.04	.*	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
80	Adani Agri Logistics Kathar Two Limited	November 21, 2022 to March 31, 2023	INR	0.05	.*	0.05	.*	-	-	.*	.*	-	.*	-	100%
81	HM Agri Logistics Limited	February 28, 2023 to March 31, 2023	INR	0.05	-	0.05	-	-	-	-	-	-	-	-	100%
82	PU Agri Logistics Limited	February 25, 2023 to March 31, 2023	INR	0.05	-	0.05	-	-	-	-	-	-	-	-	100%
83	BU Agri Logistics Limited	March 11, 2023 to March 31, 2023	INR	0.05	-	0.05	-	-	-	-	-	-	-	-	100%
84	Abbot Point Operations Pty Limited (Consolidated)	2022-23	INR	0.56	154.65	338.59	183.39	-	681.85	55.54	37.52	-	37.52	-	100%
			AUD	0.10	28.11	61.53	33.33	-	124.04	10.10	6.82	-	6.82	-	
85	Pearl Port Pte. Limited	2022-23	INR	0.01	(0.23)	0.08	0.30	-	-	(0.07)	(0.07)	-	(0.07)	-	100%
86	Noble Port Pte. Limited	2022-23	USD	.*	(0.03)	0.01	0.04	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
			INR	0.01	(0.17)	0.08	0.24	-	-	(0.04)	(0.04)	-	(0.04)	-	
87	Coastal International Terminals Pte Limited	2022-23	USD	.*	(0.02)	0.01	0.03	-	-	.*	.*	-	.*	-	100%
			INR	0.01	(1,562.10)	184.57	1,746.66	-	-	(1,453.17)	(1,453.17)	-	(1,453.17)	-	
			USD	.*	(190.11)	22.46	212.57	-	-	(181.02)	(181.02)	-	(181.02)	-	100%

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## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

### PART "A" :- Subsidiaries

₹ in Crore, Foreign Currencies in Million

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
88	Anchor Port Holding Pte Limited	2022-23	INR	0.05	(7.92)	1.92	9.79	-	1.47	(0.40)	(0.40)	-	(0.40)	-	100%
			USD	0.01	(0.96)	0.23	1.19	-	0.18	(0.05)	(0.05)	-	(0.05)	-	
89	Adani Bangladesh Ports Private Limited	2022-23	INR	0.43	4.83	5.31	0.05	-	-	(0.05)	0.05	-	0.05	-	100%
			BDT	5.53	62.31	68.55	0.70	-	-	(0.64)	0.62	-	0.62	-	
90	Adani Yangon International Terminal Company Limited	2022-23	INR	355.78	(1.88)	1,619.76	1,265.87	-	4.91	(1.79)	(1.79)	-	(1.79)	-	100%
			MMK	90,992.53	(481.80)	4,14,261.51	3,23,750.78	-	1,218.90	(444.58)	(444.58)	-	(444.58)	-	
91	Adani Logistics International Pte Limited	April 01, 2022 to July 28, 2022	INR	-	-	-	-	-	-	-	-	-	-	-	-
			USD	-	-	-	-	-	-	-	-	-	-	-	-
92	Adani International Ports Holdings Pte Limited	2022-23	INR	101.11	81.61	4,641.23	4,458.51	-	271.97	93.30	80.45	-	80.45	-	100%
			USD	12.31	9.93	564.83	542.60	-	33.88	11.62	10.02	-	10.02	-	
93	Colombo West International Terminal (Private) Limited	2022-23	INR	426.96	(15.35)	1,852.07	1,440.46	-	-	(2.51)	(2.51)	-	(2.51)	-	51%
			USD	51.96	(1.87)	225.39	175.30	-	-	(0.31)	(0.31)	-	(0.31)	-	
94	The Adani Harbour International DMCC	December 22, 2022 to March 31, 2023	INR	0.22	(1.13)	1.64	2.55	-	-	(1.10)	(1.10)	-	(1.10)	-	100%
			AED	0.10	(0.50)	0.73	1.14	-	-	(0.50)	(0.50)	-	(0.50)	-	
95	Port Harbour Services International Pte. Limited	February 01, 2023 to March 31, 2023	INR	0.01	-	0.01	-	-	-	-	-	-	-	-	100%
			USD	*	-	*	-	-	-	-	-	-	-	-	
96	Mediterranean International Ports A.D.G.D. Limited	November 13, 2022 to March 31, 2023	INR	2,815.27	(122.71)	9,046.34	6,353.78	-	-	(124.82)	(124.82)	-	(124.82)	-	70%
			ILS	1,239.00	(54.00)	3,981.30	2,796.30	-	-	(54.00)	(54.00)	-	(54.00)	-	
97	Haifa Port Company Limited	January 10, 2023 to March 31, 2023	INR	*	7,454.29	10,071.95	2,617.66	2,384.11	354.31	(3.34)	(4.50)	9.12	4.62	-	70%
			ILS	*	3,280.63	4,432.67	1,152.03	1,049.25	153.29	(1.45)	(1.95)	3.95	2.00	-	

\* Figures being nullified on conversion to ₹ in crore and foreign currency in Million

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### Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

#### PART "A" :- Subsidiaries

**Notes:-**

**(A) Names of companies ceased to be subsidiaries due to loss of control/dilution of stake in subsidiaries**

- Adani Logistics International Pte Limited

**(B) Names of subsidiaries which are yet to commence operations**

- Hazira Infrastructure Limited	- Adani Agri Logistics (Raman) Limited
- Madurai Infrastructure Private Limited	- Adani Agri Logistics (Nakodar) Limited
- Adani Vizhinjam Port Private Limited	- Adani Agri Logistics (Barnala) Limited
- Dholera Port And Special Economic Zone Limited	- Adani Bulk Terminals (Mundra) Limited
- Dholera Infrastructure Private Limited	- Adani Agri Logistics (Mansa) Limited
- Coastal International Terminals Pte Limited	- Adani Agri Logistics (Moga) Limited
- Pearl Port Pte. Limited	- Adani Warehousing Limited
- Noble Port Pte. Limited	- Adani Agri Logistics (Dahod) Limited
- Dermot Infracon Private Limited	- Adani Agri Logistics (Samastipur) Limited
- Mundra Crude Oil Terminal Private Limited	- Adani Agri Logistics (Darbhanga) Limited
- Adani Ports Technologies Private Limited	- Adani Yangon International Terminal Company Limited
- Adani Container Manufacturing Limited	- Adani Container Terminal Limited
- Adani Logistics Infrastructure Private Limited	- Aqua Desilting Private Limited
- Dhamra Infrastructure Private Limited	- NRC Limited
- Sulochana Pedestal Private Limited	- HDC Bulk Terminal Limited
- Shankheshwar Buildwell Private Limited	- Adani Agri Logistics Katihar Two Limited
- AYN Logistics Infra Private Limited	- Adani Agri Logistics (Gonda) Limited
- Colombo West International Terminal (Private) Limited	- Tajpur Sagar Port Limited
- Adani Agri Logistics (Sandila) Limited	- Mediterranean International Ports A.D.G.D. Limited
- Adani Agri Logistics (Chandari) Limited	- The Adani Harbour International DMCC, UAE
- HM Agri Logistics Limited	- BU Agri Logistics Limited
- PU Agri Logistics Limited	- Adani Aviation Fuels Limited
- Port Harbour Services International Pte. Limited	

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**Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014**

## PART "B" :- Associates and Joint Ventures Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associates and Joint Ventures

Sr No	Name of Joint Venture	Latest Audited Balance Sheet Date	Shares of Joint Ventures held by the company on the year end		Extend of holding	Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	
			No of Shares	Amount of Investment in Joint Venture					Amount considered in Consolidation	Amount not considered in Consolidation
1	Adani International Container Terminal Private Limited	March 31, 2023	32,22,31,817	341.03	50%	Note - A	NA	543.61	-	131.07
2	Adani CMA Mundra Terminal Private Limited	March 31, 2023	5,93,78,278	63.86	50%	Note - A	NA	90.13	-	45.34
3	Adani NYK Auto Logistics Solutions Private Limited	March 31, 2023	61,20,000	6.12	51%	Note - A	NA	2.56	(1.21)	-
4	Adani Total Private Limited (Consolidated)	March 31, 2023	2,02,00,000	20.20	50%	Note - A	NA	678.47	35.37	-
5	Dighi Roha Rail Limited	March 31, 2023	50,000	0.05	50%	Note - A	NA	(0.41)	-	-
6	EZR Technologies Private Limited	March 31, 2023	25,500	0.03	51%	Note - A	NA	0.02	-*	-
7	Adani KP Agriwarehousing Private Limited	March 31, 2023	74,000	8.32	74%	Note - A	NA	3.61	0.18	-
8	Indianoil Adani Ventures Limited (Consolidated)	March 31, 2023	49,48,28,289	1,164.75	49.38%	Note - A	NA	814.85	11.01	-
9	IOT Utkal Energy Services Limited	March 31, 2023	5,26,27,778	39.09	45.34%*	Note - A	NA	77.65	1.33	-

₹ in Crore

\* Figures being nullified on conversion to ₹ in crore

\* Effective holding percentage

**Note:**

(A) There is significant influence/joint control due to percentage (%) of Share holding.

### For and on behalf of the Board of Directors

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 000006273

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

**D. Muthukumar**  
Chief Financial Officer

**Kamlesh Bhagia**  
Company Secretary

Place : Ahmedabad  
Date : May 30, 2023

## NOTICE

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting ("AGM") of Adani Ports and Special Economic Zone Limited ("APSEZ"/"Company") will be held on Tuesday, 8<sup>th</sup> August, 2023 at 11:00 a.m. through Video Conferencing/ Other Audio Visual Means to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421, Gujarat.

### Ordinary Business:

1. To receive, consider and adopt the -
  - a. audited standalone financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2023 together with the Reports of the Board of Directors ("the Board") and Auditors thereon; and
  - b. audited consolidated financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2023 together with the report of Auditors thereon.
2. To declare Dividend on Preference Shares for the financial year 2022-23.
3. To declare Dividend on Equity Shares for the financial year 2022-23.
4. To appoint a Director in place of Dr. Malay Mahadevia (DIN: 00064110), who retires by rotation and being eligible, offers himself for re-appointment.

**Explanation:** Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Dr. Malay Mahadevia, Non-Executive Non-Independent Director whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment as a director.

Therefore, the shareholders are requested to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions if any, of the Companies Act, 2013, Dr. Malay Mahadevia (DIN: 00064110), who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation."

### Special Business:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the other requisite approvals, if any required and in terms of the Ordinary Resolution passed by the members at the 20<sup>th</sup> Annual General Meeting of the Company held on 6<sup>th</sup> August, 2019, the approval of the shareholders be and is hereby accorded to ratify the remuneration including commission paid to the Independent Director(s) of the Company in addition to the sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof for the FY 2022-23.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take all actions and do all such deeds, matters and things, as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other requisite approvals, if any required, the approval of the shareholders be and is hereby accorded to pay remuneration by way of commission or otherwise to Non-Executive Director(s) including Independent Director(s) of the Company subject to a ceiling limit of 1% of net profits calculated as per Section 198 of the Act or minimum remuneration as per Schedule V of the Act in the event of absence or inadequacy of profits for the subsequent three financial years, i.e. FY 2023-24 to FY 2025-26.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take all actions and do all such deeds, matters and things, as may

be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the

rules made thereunder, as amended from time to time, the Board of Directors be and is hereby authorized to appoint Branch Auditors of any branch office of the Company, whether existing or which may be opened hereafter, outside India, in consultation with the Company’s Statutory Auditors, any person(s)/ firm(s) qualified to act as Branch Auditor in terms of the provisions of Section 143(8) of the Act and to fix their remuneration.”

By order of the Board of Directors  
For, **Adani Ports and Special Economic Zone Limited**

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

**Registered Office:**

“Adani Corporate House”,  
Shantigram, Nr. Vaishno Devi Circle,  
S.G. Highway, Khodiyar,  
Ahmedabad - 382421, Gujarat, India  
CIN: L63090GJ1998PLC034182

**Kamlesh Bhagia**  
Company Secretary  
Membership No. ACS 19198

**NOTES:**

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the shareholders at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, Circular No. 21/2021 dated 14<sup>th</sup> December, 2021, Circular No. 02/2022 dated 5<sup>th</sup> May, 2022 and latest being Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, Circular No. SEBI/HO/DDHS/P/ CIR/2022/0063 dated 13<sup>th</sup> May, 2022 and Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated 5<sup>th</sup> January, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the AGM through VC/OVAM. In terms of the said circulars, the 24<sup>th</sup> AGM of the shareholders will be held through VC/OAVM. Hence, shareholders can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 17 and available at the Company's website [www.adaniports.com](http://www.adaniports.com).
2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 022-23058542/43.
3. Information regarding re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 ("the Act") and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is annexed hereto.
4. Pursuant to the Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the shareholders is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. The attendance of the shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / RTA (if shares held in physical form).  
  
A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) by 21<sup>st</sup> July, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.  
  
Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). The aforesaid declarations and documents need to be submitted by the shareholders by 21<sup>st</sup> July, 2023.
7. In line with the aforesaid MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.adaniports.com](http://www.adaniports.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. The Company has fixed Friday, 28<sup>th</sup> July, 2023 as the 'Record Date' for determining entitlement of shareholders to receive dividend for the FY 2022-23, if approved at the AGM.  
  
Those shareholders whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after Thursday, 10<sup>th</sup> August, 2023, subject to applicable TDS.
9. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.

10. Shareholders holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R&T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
11. In terms of Section 72 of the Act, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to Company's R&T Agent for nomination form by quoting their folio number.
12. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode.
13. The Shareholders can join the AGM through the VC/ OAVM mode 15 (fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 shareholders on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
14. **Process and manner for shareholders opting for voting through electronic means:**
  - i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020, 5<sup>th</sup> May, 2020, 13<sup>th</sup> January, 2021, 14<sup>th</sup> December, 2021, 5<sup>th</sup> May, 2022 and 28<sup>th</sup> December, 2022, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the authorized e-voting agency for facilitating voting through electronic means. The facility of casting votes by a shareholder using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
  - ii. Shareholders whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Tuesday, 1<sup>st</sup> August, 2023, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - iii. A person who has acquired the shares and has become a shareholder of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Tuesday, 1<sup>st</sup> August, 2023, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.
  - iv. The remote e-voting will commence on Friday, 4<sup>th</sup> August, 2023 at 9.00 a.m. and will end on Monday, 7<sup>th</sup> August, 2023 at 5.00 p.m. During this period, the shareholders of the Company holding shares either in physical form or in demat form as on the Cut-off date. i.e. Tuesday, 1<sup>st</sup> August, 2023 may cast their vote electronically. The shareholders will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
  - v. Once the vote on a resolution is cast by the Shareholder, he/she shall not be allowed to change it subsequently or cast the vote again.
  - vi. The voting rights of the shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Tuesday, 1<sup>st</sup> August, 2023.
  - vii. The Company has appointed CS Chirag Shah, Practicing Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
15. **Process for those shareholders whose email ids/mobile no. are not registered:**
  - a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-

attested scanned copy of Aadhar Card) by email to RTA email id [rnt.helpdesk@linktime.co.in](mailto:rnt.helpdesk@linktime.co.in).

- b) For Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

16. **The instructions for shareholders for remote voting are as under:**

- (i) The voting period begins on Friday, 4<sup>th</sup> August, 2023 at 9.00 a.m. and will end on Monday, 7<sup>th</sup> August, 2023 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 1<sup>st</sup> August, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or call at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for physical shareholders and shareholders other than individual holding in demat form.

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on Shareholders.
3. Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

**For Physical shareholders and other than individual shareholders holding shares in Demat.**

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of the Company - **ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED** on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
  - If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.

evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

17. **The instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:-**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
3. Only those shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
4. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders participating in the meeting.
5. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

18. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.adaniports.com](http://www.adaniports.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) within two days of the passing of the Resolutions at the 24<sup>th</sup> Annual

General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

19. **Instructions for shareholders for attending the AGM through VC/OAVM are as under:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders'/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. For ease of conduct, shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at investor.apsezl@adani.com. The shareholders who do not want to speak during the AGM but have queries may send their queries in advance at least 7 days prior to the AGM mentioning their name, demat account number / folio number, email id, mobile number at investor.apsezl@adani.com.
6. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
7. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

**Contact Details:**

<b>Company</b>	:	Adani Ports and Special Economic Zone Limited Regd. Office: "Adani Corporate House", Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421, Gujarat, India CIN: L63090GJ1998PLC034182 E-mail: investor.apsezl@adani.com
<b>Registrar and Transfer Agent</b>	:	Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India Tel: +91-22-49186270 Fax : +91-22- 49186060 E-mail: rnt.helpdesk@linkintime.co.in
<b>e-Voting Agency</b>	:	Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com Phone: 022-23058542/43
<b>Scrutinizer</b>	:	CS Chirag Shah Practicing Company Secretary E-mail: pcschirag@gmail.com

## ANNEXURE TO NOTICE

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("ACT") AND / OR REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI LISTING REGULATIONS").**

#### **For Item No. 5 and 6**

The shareholders at their 20<sup>th</sup> Annual General Meeting ("AGM") held on 6<sup>th</sup> August, 2019 have approved the payment of commission to the Non-Executive Director(s) including Independent Director(s) of the Company in addition to sitting fees and other expenses being paid to them for attending the meetings of the Board and its committees subject to a ceiling limit of 1% of the net profits calculated as per provisions of Section 198 of the Companies Act, 2013 ("Act").

As per the approval of the shareholders, the Company has paid remuneration in the form of commission of ₹20 lakhs to each Independent Director for FY 2022-23. However, basis the computation undertaken in accordance with the provisions of Section 198 of the Act, as at 31<sup>st</sup> March, 2023, the Company did not have 'net profits' for the payment of remuneration to its Non-Executive Directors and Independent Directors for FY 2022-23.

Pursuant to Section 197 of the Act and Schedule V, in the event of absence or inadequacy of profits (as calculated under Section 198 the Act) in any financial year, the Company can pay a managerial remuneration to its Directors including any Managing Director or Whole-time Director or Manager or any other Non-executive Director, including Independent Director, a sum not exceeding the limits prescribed under said Schedule V subject to the following conditions:

- a) Payment of such minimum remuneration is approved by way of a resolution passed by the Nomination and Remuneration Committee and by the Board of Directors;
- b) The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the general meeting;

- c) For payment of remuneration that is within the Schedule V limits, shareholders' approval is required by way of an ordinary resolution; and
- d) Such an ordinary resolution shall be valid for a period not exceeding 3 years.

Accordingly, the Board of Directors have proposed to ratify the payment of remuneration by way of commission made to Independent Directors for FY 2022-23 and provide approval for payment of minimum remuneration (within the limits as specified under Schedule V of the Act) to Non-Executive and Independent Directors for the subsequent three financial years (FY 2023-24 to FY 2025-26) in the event of absence or inadequacy of profits, in any of the three financial years.

Accordingly, in conformity and furtherance to the shareholders' resolution passed at the AGM held on 6<sup>th</sup> August, 2019, the approval of the shareholders is being sought for:

- Ratification of the remuneration by way of commission paid to Independent Directors for FY 2022-23 as per proposed resolution at Item no. 5 of this Notice; and
- Payment of remuneration in the form of commission or otherwise (within the limits as specified under Schedule V of the Act) to Non-Executive and Independent Directors subject to a ceiling limit of 1% of net profits calculated as per Section 198 of the Act or minimum remuneration as per Schedule V of the Act in the event of absence or inadequacy of profits for the subsequent three financial years, i.e. FY 2023-24 to FY 2025-26 as per proposed resolution at Item no. 6 of this Notice.

The Board of Directors recommend the above resolutions for the approval of shareholders.

All Non-Executive Directors and Independent Directors of the Company may be deemed to be concerned or interested in this resolution to the extent of the remuneration including commission that may be paid/payable to them from time to time and none of the other Directors or Key Managerial Personnel or their relatives is, in anyway, concerned or interested in the said resolution.

## STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013:

### I. General Information

#### 1. Nature of Industry:

The Company is engaged in the business of Port and Port related activities.

#### 2. Date or expected date of commencement of commercial production:

The Company was incorporated on 26<sup>th</sup> May, 1998 and received certificate of Commencement of Business on 1<sup>st</sup> June, 1998.

#### 3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not Applicable.

### 4. Financial Performance based on given indicators:

(₹ In crore)

SN	Particulars	Financial Year					
		2021-22		2020-21		2019-20	
		Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
1	Revenue from Operations (Gross)	4,206.22	15,934.03	4,377.15	12,549.60	4,643.28	11,438.77
2	Profit/ (Loss) for the year	297.56	4,795.24	1,927.93	5,048.74	1,934.25	3,784.53
3	Profit/ (Loss) under Sec. 198	460.77	N.A.	2,902.54	N.A.	1,339.05	N.A.

### 5. Foreign investments or collaborations, if any.

For details of investment made by the Company, please refer the note no. 4 and 10 of the Standalone Financial Statements forming part of the Annual Report for FY 2022-23 being sent along with this Notice. The Company has not entered into any material foreign collaborations.

As on 31<sup>st</sup> March, 2023, the Shareholding of Foreign Institutional Investors, Foreign Nationals and Foreign Companies, in the Company is detailed as under:

Particulars	No. of shares	Percentage (%)
Foreign Promoter Group	397,030,612	18.38
Foreign Portfolio Investors	388,403,479	17.98
Foreign Nationals	14,708	0.00
Non-Resident Indians (Repat)	2,282,521	0.11
Non-Resident Indians (Non-Repat)	1,169,850	0.05
Foreign Institutional Investors	194,237	0.01
<b>Total</b>	<b>789,095,407</b>	<b>36.53</b>

## II. Information about the Directors:

### 1. Background details:

SN	Name of the Director	Background details
1	Mr. P. S. Jayakumar	Mr. P. S. Jayakumar is a Chartered Accountant and holds a Post Graduate Diploma in Business Management from XLRI Jamshedpur. Mr. Jayakumar worked for 23 years in Citibank (India and Singapore offices) and his last assignment in Citibank was as Country Head for the Consumer Banking Group. In 2015, Mr. Jayakumar was selected by the Government of India to serve as the Managing Director and CEO for Bank of Baroda, the first person from the private sector to run a large public sector bank. He led a successful transformation of Bank of Baroda and completed three-way merger between Bank of Baroda, Vijaya Bank and Dena Bank. Mr. Jayakumar possesses a rich experience in the banking and financial sectors.
2	Mr. Bharat Sheth	Mr. Bharat Sheth obtained his Bachelor of Science in Economics from St. Andrews University, Scotland. He is Deputy Chairman and Managing Director of The Great Eastern Shipping Company Limited, one of India's premier shipping enterprises. Born in 1958 to India's first family of shipping entrepreneurs, Mr. Sheth joined the industry in 1981. In the initial years of his career, he worked in The Great Eastern Shipping Company, gaining hands-on experience in the business. He was inducted into the Company's Board as an Executive Director in 1989 and became Managing Director in 1999. In August 2005, he was appointed Deputy Chairman & Managing Director. Mr. Sheth was inducted on the Board of Directors of North of England P&I Association Limited in October 2005 and on the Board of Steamship Mutual Association (Bermuda) Limited in February 2006. He is on the Board of Indian National Shipowners Association and International Tanker Owners Pollution Federation Limited. The Company is now an esteemed global shipping company through his ability of timing the markets. Under his active leadership, Great Eastern navigated tumultuous cycles across the last two decades.
3	Prof. G. Raghuram	Prof. G. Raghuram holds a bachelor's degree in technology from the Indian Institute of Technology, Madras and a post graduate diploma in management from the Indian Institute of Management (IIM), Ahmedabad and a doctorate in philosophy from Northwestern University, USA. He is currently the Principal Academic Advisor of the National Rail and Transportation Institute, and Professor (Emeritus) at the Gujarat Maritime University. He was earlier Director of the Indian Institute of Management, Bangalore, until his superannuation in July 2020. Prior to taking over as director of IIM Bangalore, he was a professor and chairperson of the Public Systems Group at IIMA. He has also been the Dean (Faculty) of IIMA, Vice-Chancellor of the Indian Maritime University and Indian Railways Chair Professor at IIMA. He specializes in infrastructure and transport systems, logistics and supply chain management. He is a fellow of the Operational Research Society of India and Chartered Institute of Logistics and Transport. He has teaching experience at universities in India, USA, Canada, Yugoslavia, Singapore, Tanzania, UAE and Japan.
4	Mr. G. K. Pillai	Mr. G. K. Pillai is a distinguished alumnus of IIT Madras. He retired from the IAS as Union Home Secretary in 2011. While working for the State Government of Kerala, he held various positions, including that of District Collector, Quilon, Special Secretary Industries, Secretary Health and Principal Secretary to the Chief Minister. For the Government of India, he worked in the ministries of Defense, Surface Transport, Home and Commerce. He was the Chairman of Board of Approvals for SEZ, chief negotiator for India at the WTO and Secretary Commerce, Government of India.

SN	Name of the Director	Background details
5	Mrs. Nirupama Rao	Ms. Nirupama Rao is a postgraduate in English Literature. She was also a Fellow at Harvard University, Brown University, University of California at San Diego and a recipient of the degree of Doctor of Letters (Honoris Causa) from the Pondicherry University. She was conferred with the Vanitha Ratna by the Government of Kerala in 2016. Ms. Rao is currently a Global Fellow of The Wilson Center in Washington D.C. and a member of the Board of the US India Business Council (USIBC). A career diplomat from the Indian Foreign Service from 1973 to 2011, she served the Government of India in several important positions, including that of the Foreign Secretary of India. She has represented India in several countries during her career and was the first Indian woman to be appointed High Commissioner to Sri Lanka and Ambassador to China. She was also the first woman spokesperson of the Ministry of External Affairs. After her retirement, she was appointed as the Ambassador of India to the United States for a tenure of two years from 2011 to 2013.

## 2. Past remuneration other than sitting fees:

(₹ In lakh)

SN	Name of the Director	FY 2021-22	FY 2020-21	FY 2019-20
1	Mr. P. S. Jayakumar	20.00	13.80	-
2	Mr. Bharat Sheth	20.00	20.00	7.50
3	Prof. G. Raghuram	20.00	20.00	14.00
4	Mr. G. K. Pillai	20.00	20.00	14.00
5	Mrs. Nirupama Rao	20.00	20.00	13.30
<b>Total</b>		<b>100.00</b>	<b>93.80</b>	<b>48.80</b>

## 3. Job profile and their suitability:

The Directors have vast experience in the fields of finance, management, infrastructure, ports and logistics, technology, strategy designing, industrial relations, etc. Detailed profile of the Directors is given in point 1 above. The elaborated experience of the Directors in various sectors helps in enriching the Board discussions and deliberations and taking decisions that are beneficial for the growth of the Company.

## 4. Remuneration proposed:

1% of net profit as calculated as per Section 198 of the Act in case of profit or remuneration in form of commission or otherwise calculated as per Schedule V of the Act in the event of absence or inadequacy of profits for subsequent three financial years, i.e. FY 2023-24 to FY 2025-26 to be paid to the Non-Executive Directors including Independent Directors.

## 5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of the directors, his/her responsibilities and contribution and

the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration paid to similar senior level counterparts in other Companies in the industry.

## 6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.

Except for drawing remuneration, there is no other pecuniary relationship with the Company or with the managerial personnel of the Company.

## 7. Recognition or Awards:

As mentioned in the profile of the Directors.

## III. Other Information:

### 1. Reasons of loss or inadequate profits:

The Company had adequate profits up to the financial year ended 31<sup>st</sup> March, 2022 and quarter ended 31<sup>st</sup> December, 2022. However, the Company incurred forex loss and divested its investment in under construction container terminal in Myanmar (held through an overseas subsidiary) recording an impairment of ₹1,558.16 crore resulting into loss as at financial year ended 31<sup>st</sup> March, 2023.

**2. Steps taken or proposed to be taken for improvement:**

The Company has been consistently making profits and expects to do well in future also. The Company has incurred losses due to exceptional reasons in this financial year hence no steps are required to be taken for improvement.

**3. Expected increase in productivity and profits in measurable terms:**

The Company has been profitable on standalone and consolidated basis in previous years and the Company doesn't envisage at this point any such adversities that may hamper the profitability of the Company in the subsequent years.

**IV. Disclosures:**

The information and disclosures of the remuneration of Non-Executive Directors

including Independent Directors is provided in the Corporate Governance Report, forming part of the Annual Report, under the heading "details of remuneration".

**For Item No. 7**

The Company has branch outside India and may also open new branches outside India in future. It may be necessary to appoint branch auditors to carry out the audit of the accounts of such branches. The Shareholders are requested to authorize the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Statutory Auditors and fix their remuneration.

The Board of Directors recommend the above resolutions for the approval of shareholders.

None of the Directors or key managerial personnel or their relatives is in any way concerned or interested, financially or otherwise in the proposed Ordinary resolution.

By order of the Board of Directors  
For, **Adani Ports and Special Economic Zone Limited**

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2023

**Registered Office:**

"Adani Corporate House",  
Shantigram, Nr. Vaishno Devi Circle,  
S.G. Highway, Khodiyar,  
Ahmedabad - 382421, Gujarat, India  
CIN: L63090GJ1998PLC034182

**Kamlesh Bhagia**  
Company Secretary  
Membership No. ACS 19198

# Annexure to Notice

## Details of Directors seeking re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31.03.2023	Name of committees in which he holds membership/ chairmanship as on 31.03.2023	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company.	Names of listed entities from which the person has resigned in past three years.
Dr. Malay Mahadevia	60 Years 03.05.1963 (NIL)	B.D.S. & M.D.S., Ph.D. in Marine Ecology.	Dr. Malay Mahadevia holds a master's degree in dental surgery from Nair Hospital Dental College. He completed his Doctor of Philosophy in coastal ecology around Mundra area, Kutch District, from the Gujarat University in 2008. He has contributed to the development of the Mundra Port since its conceptualization. He is also a member of the Gujarat Chamber of Commerce and Industry.	<ul style="list-style-type: none"> <li>Adani Airport Holdings Limited</li> <li>Adani Ports and Special Economic Zone Limited</li> <li>Adani Wilmar Limited</li> <li>Adani Infrastructure Private Limited</li> <li>Adani Health Ventures Limited</li> <li>Adani Total Private Limited</li> <li>GSPC LNG Limited</li> <li>Adani Skill Development Centre</li> <li>Adani Institute for Education and Research</li> <li>Karnavati Museum of Leadership Foundation</li> <li>Mahadevia Dental Hospital Private Limited</li> <li>North Star Diagnostics Private Limited</li> <li>North Star Entities Private Limited</li> <li>North Star B2B Marketing LLP</li> <li>North Star Corpcon LLP</li> <li>North Star Learning and Development LLP</li> <li>North Star Medical Aid Foundation</li> </ul>	<ul style="list-style-type: none"> <li><b>Adani Wilmar Limited.</b><sup>^^</sup> <ul style="list-style-type: none"> <li>Corporate Social Responsibility Committee (Member)</li> </ul> </li> </ul>	Nil	Nil

### <sup>^^</sup>Listed Company

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above director please refer to the Corporate Governance Report.

## Abbreviations

Acronym	Full form
AALL	Adani Agri Logistics Limited
ABPPL	Adani Bangladesh Ports Private Limited
ACC	Acc Cement Ltd.
ACMTPL	Adani CMA Mundra Terminal Pvt. Ltd.
ADR	American Depository Receipt
AECTPL	Adani Ennore Container Terminal Pvt. Ltd.
AEL	Adani Enterprise Ltd.
AEO	Authorised Economic Operator
AFTO	Automobile Freight Train Operator
AGEL	Adani Green Energy Ltd.
AGM	Annual General Meeting
AGT	Annual Guaranteed Tonnage
AHMPL	Adani Hospitals Mundra Pvt. Ltd.
AHPL	Adani Hazira Port Limited
AICTPL	Adani International Container Terminal Pvt. Ltd.
AITPL	Adani International Terminals Pte Ltd.
AKBTPL	Adani Kandla Bulk Terminal Pvt. Ltd.
AKPL	Adani Krishnapatnam Port Ltd.
ALL	Adani Logistics Ltd.
ALSPL	Adani Logistics Services Pvt. Ltd.
AMA	Ahmedabad Management Association
AMCT	Adani Mundra Container Terminal
AMPTPL	Adani Murmugao Port Terminal Pvt. Ltd.
AOC	Accounts Of Companies
APDPPL	Adani Petronet (Dahej) Port Pvt. Ltd.
APL	Adani Power Ltd.
APMS	Adani Port Management System
APO	Abbot Point Operations Pty Ltd.
APSEZ	Adani Ports and Special Economic Zone Ltd.
AS	Accounting Standard
ASDC	Adani Skill Development Centre
ASEAN	Association Of Southeast Asian Nations
ASSOCHAM	The Associated Chambers Of Commerce And Industry Of India
ATGL	Adani Total Gas Ltd.
ATL	Adani Transmission Ltd.
ATPL	Adani Total Pvt. Ltd.
AUB	Actual Utilization Basis
AUD	Australian Dollar
AVCTPL	Adani Vizag Coal Terminal Pvt. Ltd.
AVM	Adani Vidya Mandir
AVMB	Adani Vidya Mandir, Bhadreswar
AVPPL	Adani Vizhinjam Port Pvt. Ltd.
AWSPL	Adani Warehousing Services Pvt. Ltd.

Acronym	Full form
AYITCL	Adani Yangon International Terminal Company Ltd.
BDT	Bangladesh Taka
BOO	Build Own & Operate
BOT	Build Operate And Transfer
BPS	Basis Points
BRCPL	Bowen Rail Company Pty Ltd.
BRO	Bowen Rail Operation Pte Ltd
BRSR	Business Responsibility and Sustainability Report
BSC	British Safety Council
BSE	Bombay Stock Exchange
CA	Chartered Accountant
CAGR	Compound Annual Growth Rate
CAMB	Centre For Advanced Marine Biology
CARE	Care Ratings
CBSE	Central Board Of Secondary Education
CC	Cubic Centemeter
CCEA	Cabinet Committee On Economic Affairs
CCTV	Closed-Circuit Television
CDM	Clean Development Mechanism
CDP	Carbon Disclosure Project
CDSL	Central Depository Services (India) Ltd
CEO	Chief Executive Officer
CESTAT	Customs Excise And Service Tax Appellate Tribunal
CETP	Common Effluent Treatment Plant
CEZ	Coastal Employment Zone
CFO	Chief Financial Officer
CFS	Container Freight Station
CGD	City Gas Distribution
CGU	Cash-Generating Unit'S
CHWIF	Common Hazardous Wastes Incineration Facility
CII	Confederation Of Indian Industry
CIN	Corporate Identification Number
CIO	Chief Information Officer
CIRP	Corporate Insolvency Resolution Process
CIT	Commissioner Of Income-Tax
CITES	Convention On International Trade In Endangered Species Of Wild Fauna And Flora
CMA-CGM	CMA CGM S.A.
COD	Commercial Operational Date
CONCOR	Container Corporation of India Ltd.
COO	Chief Operating Officer
COP	Communications On Progress

<b>Acronym</b>	<b>Full form</b>
COSO	Committee of Sponsoring Organization
CP	Commercial Paper
CPCB	Central Pollution Control Board
CRP	C-Reactive Protein (Crp) Test
CRR	Capital Redemption Reserve
CRZ	Coastal Regulation Zone
CSA	Corporate Sustainability Assessment
CSC	Customer Service Cell
CSD	Cutter Suction Dredger
CSO	Central Statistics Office
CSR	Corporate Social Responsibility
CT	Container Terminal
CXO	Term Referred To C-Suite Employees
DAV	Dayanand Anglo-Vedic
DBFOO	Design, Built, Finance, Own And Operate
DCF	Discounted Cash Flow
DDO	District Development Officer
DDT	Dividend Distribution Tax
DFC	Dedicated Freight Corridor
DFCCIL	Dedicated Freight Corridor Corporation Of India
DFCEC	Duty Free Credit Entitlement Certificate
DG	Diesel Generator/ Director General (To Be Used Contextually)
DIN	Director Identification Number
DIPL	Dholera Infrastructure Pvt. Ltd.
DJSI	Dow Jones Sustainability Indices
DLNG	Dhamra LNG Terminal Pvt. Ltd.
DPCL	The Dhamra Port Company Ltd.
DPD	Direct Port Devlivery
DPE	Direct Port Entry
DPEO	District Primary Education Officer
DPL	Dighi Port Ltd.
DPT	Deendayal Port Trust
DRR	Debenture Redemption Reserve
DRTG	Diesel Rubber Tyred Gantry
DRV	Depreciated Replacement Value
DSRA	Debt Service Reserve Account
DTL	Deferred Tax Liability
DWT	Dead Weight Tonnage
EAC	Expert Appraisal Committee
EBIT	Earnings Before Interest And Taxes
EBITA	Earnings Before Interest, Taxes, And Amortisation
EBITDA	Earnings Before Interest, Taxes, Depreciation And Amortisation
EC	Executive Committee
ECL	Expected Credit Loss
EDFC	Eastern Dedicated Freight Corridor
EHS	Environment Health And Safety

<b>Acronym</b>	<b>Full form</b>
EIA	Environmental Impact Assessment
EIR	Effective Interest Rate
EMP	Environment Management Plan
EODB	Ease Of Doing Business
EPCG	Export Promotion Capital Goods
EPS	Earnings Per Share
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ERTG	Electric Rubber Tyred Gantry
ESG	Environment Social And Governance
ESMS	Environment And Social Management System
ETP	Effluent Treatment Plant
EU	European Union
EUR	Euro
EXIM	Export-Import
EY	Ernst & Young
FC	Fulfilment Centres
FCC	Fertilizer Cargo Complex
FCI	Food Corporation Of India
FCMITDA	Foreign Currency Monetary Item Translation Difference Account
FDI	Foreign Direct Investment
FICCI	Federation Of Indian Chambers Of Commerce & Industry
FIEO	Federation Of Indian Export Organisations
FKI	Federation Of Kutch Industries
FO	Furnace Oil
FPG	Final Price Guidance
FRM	Fertilizer Raw Material
FSSAI	Food Safety And Standards Authority Of India
FTA	Free Trade Agreement
FTE	Fixed Term Employee
FTWZ	Free Trade And Warehousing Zones
FVTOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit Or Loss
FY	Financial Year
GA	Geographical Area
GAAP	Generally Accepted Accounting Principles
GAIMS	Gujarat Adani Institute Of Medical Sciences
GBP	British Pound Sterling
GCC	General Contract Condition
GCCI	Gujarat Chamber Of Commerce And Industry
GDA	General Duty Assistants
GDP	Gross Domestic Product

Acronym	Full form
GDR	Global Depository Receipt
GEC	Gujarat Ecology Commission
GHG	Green House Gas
GIDC	Gujarat Industrial Development Corporation
GJ	Giga Joule
GMB	Gujarat Maritime Board
GOG	Government of Gujarat
GOI	Government of India
GP	Gram Panchayat
GPL	Gangavaram Port Ltd.
GPS	Global Positioning System
GPW	General Purpose Wagon
GPWIS	General Purpose Wagon Investment Scheme
GRI	Global Reporting Initiative
GSC	Gujarat Safety Council
GSEB	Gujarat State Electricity Board
GSM	Global System For Mobile Communications
GSPCB	Gujarat State Pollution Control Board
GST	Goods And Services Tax
GVA	Gross Value Added
Ha	Hectare
HAIA	Hazira Area Industries Association
HC	High Court
HDL	High Density Lipoprotein
HFO	Heavy Fuel Oil
HPMV	High Pressure Mercury Vapour
HPSV	High Pressure Sodium Vapor
HR	Human Resource/ Hot Rolled (To Be Used Contextually)
HSD	High Speed Diesel
HSE	Health Safety And Environment
HVDC	High Voltage Direct Current
IAS	Indian Administrative Services
IBBI	Insolvency And Bankruptcy Board of India
IBEF	India Brand Equity Foundation
ICAI	Institute Of Chartered Accountants of India
ICD	Inland Container Depot
ICRA	ICRA Credit Rating Agency
ICU	Intensive Care Unit
IEPF	Investor Education And Protection Fund
IFC	International Finance Corporation
IFRC	International Federation Of Red Cross and Red Crescent Societies
IFS	Integrated Farming Scheme
IG	Investment Grade

Acronym	Full form
IIM	Indian Institute of Management
IIMA	Indian Institute of Management Ahmedabad
IIRC	International Integrated Reporting Council
IIT	Indian Institute of Technology
ILO	International Labour Organization
IMF	International Monetary Fund
IMS	Integrated Management System
INR	Indian Rupee
INX	India International Exchange Limited
IPA	Indian Ports Association
IPCC	Intergovernmental Panel on Climate Change
IPD	In Patient Department
IPG	Initial Price Guidance
IPP	Integrated Power Producer
IR	Integrated Report/ Investor Relations (To Be Used Contextually)
IRCTC	Indian Railway Catering and Tourism Corporation
IRR	Internal Rate of Return
ISAE	International Standards For Assurance Engagements
ISIN	International Securities Identification Number
ISO	International Organization For Standardization
IT	Information Technology
ITC	Input Tax Credit
ITV	Inland Transport Vehicle
IUCN	International Union for Conservation of Nature
IWMA	Industrial Waste Management Association
IWT	Inland Water Transport
JMVP	Jal Marg Vikas Project
JNPT	Jawaharlal Nehru Port Trust
JNV	Jawahar Navodaya Vidyalay
JNV - EE	Jawahar Navodaya Vidyalay Entrance Examination
JPY	Japanese Yen
JSA	Job Safety Analysis
JV	Joint Venture
KAPL	Karnavati Aviation Pvt. Ltd.
KL	Kilo Litre
KLD	Kilo Litre Per Day
KM	Kilo Meter
KMP	Key Managerial Personnel
KPL	Kamarajar Port Ltd.
KRCL	Kutch Railway Company Ltd.
KRIBHCO	Krishak Bharati Cooperative

<b>Acronym</b>	<b>Full form</b>
KSKV	Krantiguru Shyamji Krishna Verma Kachchh University
KW	Kilo Watt
KWH	Kilo Watt Hour
LED	Light Emitting Diode
LIBOR	London Inter-Bank Offered Rate
LIC	Life Insurance Corporation
LLP	Limited Liability Partnership
LNG	Liquefied Natural Gas
LODR	Listing Obligations and Disclosure Requirements
LOTO	Lock Out Tag Out
LPG	Liquified Petroleum Gas
LTJ	Loss Time Injury
LTIFR	Lost Time Injury Frequency Rate
MARPOL	The International Convention For The Prevention Of Pollution From Ships
MAT	Minimum Alternative Tax
MBU	Mobile Bagging Unit
MCA	Model Concession Agreement/ Ministry Of Corporate Affaires
MCFT	Million Cubic Feet
MCLR	Marginal Cost Of Funds Based Lending Rate
MCS	Management Control Systems
MDA	Management Discussion and Analysis
MEC	Myanmar Economic Corporation
MGC	Minimum Guarantee Cargo
MHCU	Mobile Health Care Units
MHS	Machine Handling System
MIAPL	Mundra International Airport Pvt. Ltd.
MIC	Myanmar Investment Commission
MICTL	Mundra International Container Terminal Ltd.
MIDPL	Marine Infrastructure Developer Pvt Ltd.
MITAP	Mundra Sez Textile and Apparel Park Pvt. Ltd.
ML	Million Litre
MLD	Million Litre Per Day
MLP	Minimum Lease Payments
MLPR	Minimum Lease Payments Receivable
MMBTU	Million Metric British Thermal Unit
MMK	Myanmar Kyat
MMLP	Multi-Modal Logistics Parks
MMT	Million Metric Tonne
MMTPA	Million Metric Tonne Per Annum
MOEF & CC	Ministry Of Environment, Forest And Climate Change
MOU	Memorandum Of Understanding

<b>Acronym</b>	<b>Full form</b>
MPT	Multi Purpose Terminal At Mundra/ Mormugao Port Trust Goa (To Be Used Contextually)
MSC	Mediterranean Shipping Company
MSCI	Morgan Stanley Capital International
MSME	Micro, Small & Medium Enterprises
MSMED	Medium Enterprises Development
MT	Metric Tonne
MTEU	Million Twenty Foot Equivalent Unit
MTEUS	Million Twenty Foot Equivalent Units
MTM	Mark To Market
MTPA	Metric Tonne Per Annum
MU	Million Unit
MUL	MPSEZ Utilities Ltd.
MW	Mega Watt
NABET	National Accreditation Board For Education And Training
NAV	Net Asset Value
NCAP	Natural Capital Action Plan
NCD	Non Convertible Debentures
NCL	Northern Coalfield Limited
NCLT	National Company Law Tribunal
NCRPS	Non-Cumulative Redeemable Preference Shares
NCSCM	National Centre For Sustainable Coastal Management
NDC	Nationally Determined Contributions
NEERI	National Environmental Engineering Research Institute
NGO	Non-Governmental Organization
NGRBC	National Guidelines On Responsible Business Conduct
NGT	National Green Tribunal
NH	National Highways
NHB	National Housing Board
NID	National Institute of Design
NIFT	National Institute of Fashion Technology
NIO	National Institute of Oceanography
NMMS	National Means-Cum-Merit Scholarship
NOS-DCP	National Oil Spill Disaster Contingency Plan
Nox	Nitrogen Oxide Gases
NRI	Non Resident Indian
NSC	National Safety Council
NSDC	National Skill Development Corporation
NSDL	National Securities Depository Ltd
NSE	National Stock Exchange
NSOP	Non-Scheduled Operation Permit
NVG	National Voluntary Guidelines
NW	National Waterway

Acronym	Full form
OAVM	Other Audio Visual Means
ODS	Ozone Depleting Substances
OFAC	Office Of Foreign Assets Control
OHS	Occupational, Health And Safety
OHSAS	Occupational Health And Safety Assessment Series
OPD	Outdoor Patient Department
PAT	Profit After Tax
PBT	Profit Before Tax
PH	Public Hearing
PHC	Primary Health Centre
PIL	Public Interest Litigation
PLL	Petronet LNG Ltd.
PM	Prime Minister (Referring To Pm Cares Fund)
PMI	Purchasing Managers Index
PNG	Piped Natural Gas
POL	Petroleum Oil And Lubricants
PPA	Power Purchase Agreement
PPE	Personal Protective Equipment
PPP	Public Private Partnership
PPT	Paradip Port Trust
PSU	Public Sector Undertaking
PTW	Permit To Work
QCI	Quality Council Of India.
RBI	Reserve Bank Of India
RCC	Reinforced Cement Concrete
RCP	Representative Concentration Pathway
RFID	Radio Frequency Identification Device
RMC	Risk Management Committee
RMGC	Rail Mounted Gantry Crane
ROCE	Return On Capital Employed
ROI	Rate Of Interest
RTG	Rubber Tyred Gantry
SAAR	Seasonally Adjusted Annual Rate
SAP	Systems, Applications & Products (Sap Erp)
SBI	State Bank Of India
SBTI	Science-Based Targets Initiative
SBU	Strategic Business Unit
SC	Supply Centres
SCA	Service Concession Arrangement
SCADA	Supervisory Control And Data Acquisition
SCC	Sustainability And Corporate Social Responsibility Committee
SCN	Show Cause Notice
SCRA	Securities Contracts (Regulation) Act
SDG	Sustainable Development Goals
SDMRI	Suganthi Devadason Marine Research Institute

Acronym	Full form
SDO	Sub Divisional Officer
SEBI	Securities And Exchange Board Of India
SECL	South Eastern Coalfields Ltd.
SEIS	Services Exports From India Scheme
SEZ	Special Economic Zone
SGCCI	Southern Gujarat Chamber Of Commerce & Industries
SGD	Singapore Dollar
SGOT	Serum Glutamic-Oxaloacetic Transaminase
SGPT	Serum Glutamic-Pyruvic Transaminase
SGX	Singapore Exchange
SHG	Self Help Groups
SIMS	Sustainability Information Management System
SLC	Sustainability Leadership Committee
SLM	Self-Learning Modules
SLP	Special Leave Petitions
SNDT	Shreemati Nathibai Damodar Thackersey
SOP	Standard Operating Procedures
Sox	Sulphur Oxides
SPCB	State Pollution Control Board
SPM	Single Point Mooring
SPPI	Solely Payments Of Principal And Interest
SRC	Stakeholders' Relationship Committee
SRGPL	Sarguja Rail Corridor Private Ltd.
SRFA	Safety Risk Field Audit
SSC	Sustainability Steering Committee
SSIDL	Shanti Sagar International Dredging Ltd.
STL	Short Term Loan
STP	Sewage Treatment Plant
STS	Ship To Ship
SUP	Single Use Plastics
SVP	Sardar Vallabhbai Patel
SWPL	South West Port Ltd. (Jsw Terminal At Goa)
TAB	Trading Across Border
TAHSL	The Adani Harbour Services Ltd.
TASHL	The Adani Harbour Services Ltd.
TAT	Turnaround Time
TBT	Tool Box Talk
TCFD	Task Force On Climate Related Financial Disclosures
TDS	Tax Deducted At Source/ Total Dissolved Solids (To Be Used Contextually)
TED	Turtle Excluder Device
TEU	Twenty-Foot Equivalent Unit

<b>Acronym</b>	<b>Full form</b>
TF	Task Force
TISS	Tata Institute Of Social Science
TJ	Terra Joules
TLF	Truck Loading Facility
TNMB	Tamil Nadu Maritime Board
TNPCB	Tamil Nadu Pollution Control Board
TOS	Terminal Operating System
TPH	Tonnes Per Hour
TSDf	Treatment, Storage, And Disposal Facility
TUV	Technischer Überwachungsverein (English Translation: Technical Inspection Association)
UAE	United Arab Emirates
UDIN	Unique Document Identification Number
UK	United Kingdom
ULB	Urban Local Bodies
ULCC	Ultra Large Crude Carrier
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific And Cultural Organization
UNGC	United Nations Global Compact
UNICEF	United Nations Children'S Fund

<b>Acronym</b>	<b>Full form</b>
US	United States
USA	United States Of America
USD	Us Dollar
USIBC	Us India Business Council
VISL	Vizhinjam International Seaport Ltd.
VLCC	Very Large Crude Carrier
VoCPT	V. O. Chidambaranar Port Trust
VPS	Vessel Profiling System
VPT	Vizag Port Trust
VSR	Vulnerability Safety Risk
WACC	Weighted Average Cost Of Capital
WDfC	Western Dedicated Freight Corridor
WEF	World Economic Forum
WEO	World Economic Outlook
WID	Water Injection Dredger
WP	Writ Petition
WPI	Wholesale Price Index
WPPIL	Writ Petition Public Interest Litigation
WQ	Western Quay
WRI	Water Risk Indicator
WTD	Whole Time Director
WTO	World Trade Organization
YOY	Year-On-Year
YTD	Year To Date
ZED	Zero Effluent Discharge
ZUWD	Zero Unauthorised Waste Disposal
ZWI	Zero Waste Incineration
ZWL	Zero Waste To Landfill





# Our Company intends to emerge as India's largest integrated transport utility by 2030



## Disclaimer

We have exercised utmost care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations, and/or past figures. As with all forward looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual result deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above mentioned circumstances, we can provide no warranty regarding the correctness, completeness, and upto-date nature of information taken, and declared as being taken, from third parties, as well as for forward looking statements, irrespective of whether these derive from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Adani Ports and Special Economic Zone Limited went into business in 1998.

By FY 2013-14, we emerged as India's largest private sector ports company.

In 2021, we enunciated our ambition to emerge as the world's largest private port company and India's largest integrated transport utility by 2030.

*Boldness transforms everything.*



Part 1 

# Our business, track record and performance

CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

## Corporate snapshot

### Our business

Adani Ports and Special Economic Zone Limited (APSEZ/ Company) is India's largest private sector commercial port in the country. The Company has a well-connected network of 12 ports/ terminals across the seven maritime states of Gujarat, Maharashtra, Goa, Kerala, Andhra Pradesh, Tamil Nadu and Odisha, through which we provide integrated services in the ports, logistics and SEZ segments. The Company's advanced port infrastructure and ability to handle large cargo makes it a strategic partner for leading industries in India. APSEZ owns and operates the largest multi-product SEZ in Mundra, Gujarat.

The Mundra SEZ in Gujarat spans over 8,000 hectares, the largest multi-product SEZ, Free Trade and Warehousing Zone (FTWZ) and Domestic Industrial Zone in India.

### Presence

APSEZ is India's largest port developer and operator comprising 12 ports and terminals and 538 MMT of operating capacity. The Company also possesses the largest container handling facility in India. Nearly 62% of the Company's capacity is on the west coast of India and 38% on the east coast.

APSEZ's domestic ports are in seven maritime states (Gujarat, Goa, Kerala, Andhra Pradesh, Maharashtra, Tamil Nadu and Odisha); ports in Vizhinjam (Kerala, India) and Colombo (Sri Lanka) are under construction. APSEZ's dredging arm provides capital and maintenance dredging services through a fleet of 20+ dredgers. The addition of sister dredging vessels of 8,000 cubic metres proved efficient with successful external maintenance dredging projects executed at Jawaharlal Nehru Port Trust, Jaigarh and Angre ports, PLL Dahej, Southern Naval Command

(Kochi port) etc. in addition to addressing internal needs. APSEZ ventured to create and maintain India's national waterways. The Company took up three distinct projects in the National Waterway 1 (NW1). The projects comprise the deployment of six small CSDs across a 300 Km stretch of NW1. Our fleet is supported by extensive offshore, onshore support equipment along with ancillary equipment and pipelines. APSEZ (through subsidiary Adani Logistics Ltd.) operates six logistics parks at Patli in Haryana, Kilaraipur and Kanech in Punjab, Kishangarh in Rajasthan, Nagpur in Maharashtra and Malur in Karnataka.

Under a concession from Food Corporation of India and various state government agri-commodity warehousing departments, the Company owns, operates or is in the process of developing silo bases for the storage of food grain and facilitate the transportation of grain. We have a grain silo capacity under operation of 0.87 MMT while 0.25 MMT of additional capacity is under commissioning. Adani's logistics park – the largest in India – is being constructed on the outskirts of Ahmedabad.

### National port proxy

The Company's East-to-West port connectivity, along with its ability to manage various kinds of cargo (ranging from liquid cargo to containers), enables it to efficiently cater to the economic needs of the hinterland states of India. This connectivity and efficiency have been a contributing factor in trebling the Company's growth over its sector in the last seven years.

### Infrastructure and services

APSEZ's ports use the latest and most advanced infrastructure to enable a seamless management of cargo of different types and

sizes. The Company's end-to-end logistical capabilities include vessels management to anchorage pilotage, tug pulling, berthing, goods handling, internal transport, storage and handling, processing and final evacuation by road or rail. Apart from these capabilities, its cost-efficient, predictable operations and operational efficiency make it a reliable logistics partner for leading Indian businesses.

APSEZ's subsidiary Adani Logistics Ltd. (ALL) possesses an annual capacity to manage 600,000 twenty-foot equivalent units (TEUs) across 580 acres of its six logistics parks.

### Respect

Over two decades, the Company has grown from a single port dealing in a single commodity to the largest port operator in India with a globally superior EBITDA margin of more than 70%. APSEZ's vessel turnaround time and cargo dwelling time is less than peers - earning it the reputation of being one of the most agile companies in the sector.

### Environment-Social-Governance

The ESG commitment of the Company is determined by its Board of Directors. The Company set up a Corporate Responsibility Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, and Risk Management Committee to provide a direction on ESG topics. The Company's disclosures are according to IIRC Framework and GRI Standards, and is aligned with National Guidelines on Responsible Business Conduct (NGRBC), Dow Jones Sustainability Indices (DJSI), United Nations Global Compact (UNGC) Principles, UN CEO Water Mandate, CDP, Task Force on Climate Related Financial Disclosures (TCFD) and other relevant frameworks.

**People resource**

APSEZ, on a consolidated basis, employed 2,736 individuals as of 31st March, 2022. An employee's average tenure in the Company was 8 years as on that date; more than 85% employees possessed engineering or professional degrees.

**Acquisitions**

APSEZ expanded its footprint in Maharashtra by acquiring a 100% stake in Dighi Port. Dighi Port volume increased from 0.02 MMT in FY 2020-21 to 0.23 MMT in FY 2021-22, handling diverse commodities like dry and liquid. The port will provide a much-needed presence in Maharashtra to cater to the hinterland logistics demand.

The acquisition of the

Krishnapatnam port / AKPL was completed in FY 2020-21 and it became a wholly-owned subsidiary of APSEZ in FY 2021-22. The port is fully integrated into APSEZ's portfolio in terms of operations and financials. The Company demonstrated the success of its operating process, which empowered AKPL to align each activity with APSEZ's high benchmark, strengthening EBITDA margin from 55% before acquisition to 69% in FY 2021-22. The volume handled at AKPL increased from 38.18 MMT in FY 2020-21 to 40.12 MMT in FY 2021-22.

The Company completed a 41.89% acquisition of Gangavaram port by Q4 of FY 2021-22 and intends to integrate Gangavaram port fully into APSEZ's portfolio in terms of operations and financials by

FY 2022-23. The volume of Gangavaram port in FY 2020-21 was 32.81 MMT 30.03 MMT in FY 2021-22.

The Adani Harbour Services Ltd, a wholly owned subsidiary of the Company, acquired 100% stake of Savijana Sea Foods Pvt. Ltd. and 97.17% stake of Ocean Sparkle Ltd. on 10th May, 2022.

**Strategic partnerships**

In FY 2021-22, APSEZ achieved an international milestone by signing a BOT agreement with Sri Lanka Port Authority to develop a container terminal in Colombo port. This will empower APSEZ to offer one more gateway to shipping lines and other potential port customers across the South Asian waters, benefiting India, Bangladesh, Sri Lanka and other South Asian countries.

**Credit and ESG rating**

**International rating**

S&P assigned APSEZ with a long-term foreign currency issuer credit rating of BBB-/Stable.

Moody's assigned APSEZ with a long-term foreign currency issuer credit rating of Baa3 / Stable.

Fitch assigned APSEZ with a long-term foreign currency issuer credit rating of BBB-/Stable.

**Domestic rating**

ICRA and India Ratings & Research provided APSEZ with an A1+ rating for short-term facilities like commercial paper.

ICRA and India Ratings & Research provided APSEZ with long-term facilities and an NCD rating of AA+/Stable.

**ESG rating**

S&P Global DJSI provided APSEZ with a score of 57 out of 100 in Corporate Sustainability Assessment (CSA) 2021

Sustainalytics provided APSEZ an ESG Risk Rating of 12.4, which signifies APSEZ is in the low risk category.

MSCI provided APSEZ with a CCC rating.

CDP provided APSEZ with a rating of B/ Management Band in the Climate Change 2021 disclosure.

CDP provided APSEZ with a rating of B+/ Management Band in the Water Security 2021 disclosure.

CDP provided APSEZ with a rating of A-/ Management Band in the Supplier Engagement Rating 2021.

ISS Governance provided us with a Quality score of 3 out of 10, with a score of 1 reflecting the best performance.

**Corporate social responsibility**

APSEZ discharges its CSR obligations, either directly or through Adani Foundation, the social arm of Adani Group. Adani Foundation provides health interventions, quality education, rural infrastructure development and sustainable livelihoods. For over two decades, Adani Foundation worked tirelessly to transform more than 2,409 villages across 16 States pan-India. The Foundation also implemented four special projects (Saksham, Swachhagraha, SuPoshan and Udaan).

**Key numbers**

**11** Number of operating ports out of 12 APSEZ ports and terminals in India

**11** million TEU equivalent capacity, FY 2021-22

**14%** Percentage increase in container volumes, FY 2021-22

# What we achieved in FY 2021-22

APSEZ ports achieved 300+ MMT in cargo throughput

Mundra port retained its position as India's biggest standalone port

Mundra port crossed 150 MMT in cargo throughput

Life-time high performance in cargo throughput for Mundra, Dhamra, Ennore and Hazira ports.

Containers handling crossed 8 mTEUs, Mundra alone handled 6.5 mTEUs

Hazira port has emerged as the largest chemical gateway port in its hinterland.

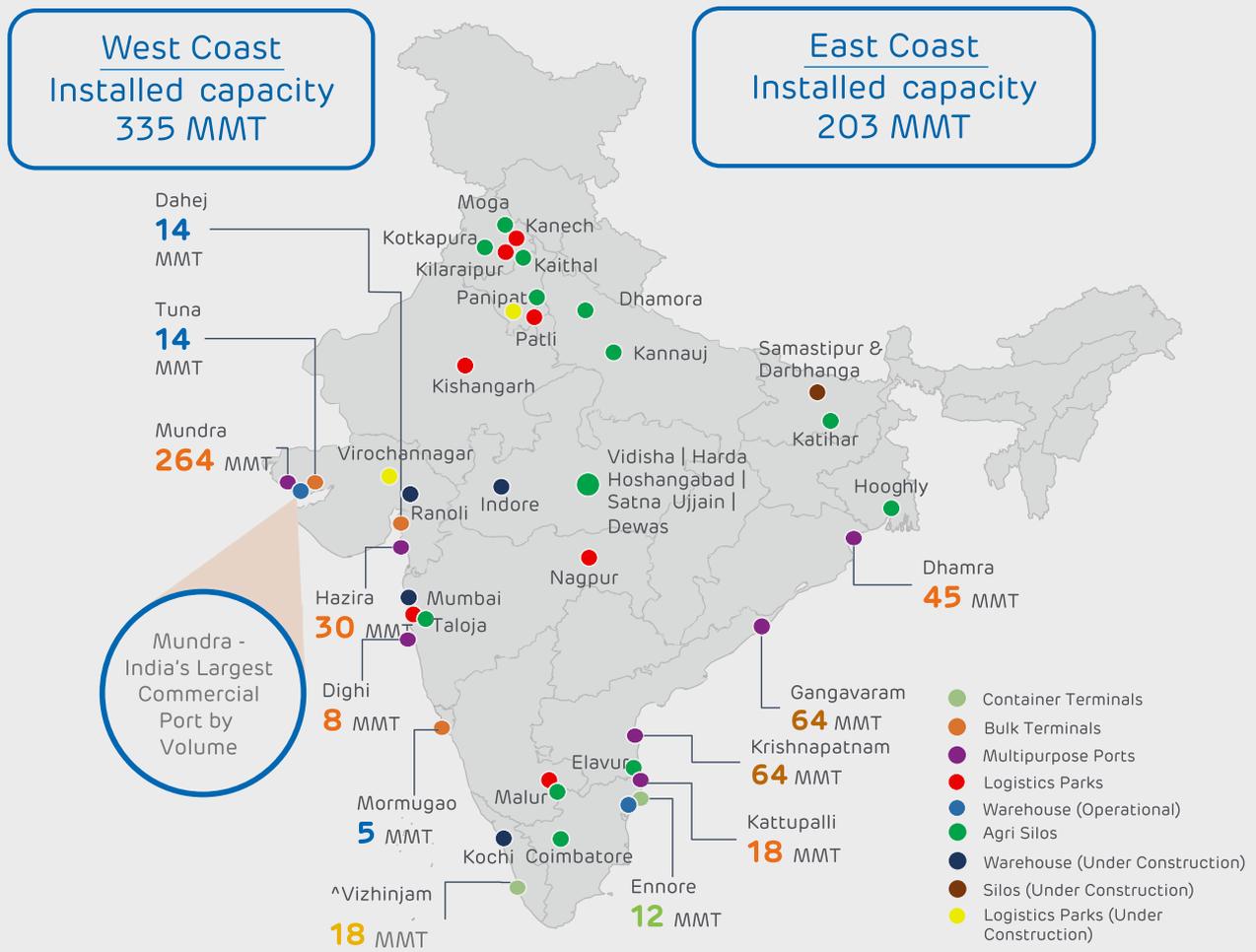
Dhamra STS operation is directed towards Bangladesh and serves a critical geo-political need of India.

All-time high handling of minerals (28.5 MMT), fertiliser (8.8 MMT), salt (3.5 MMT), steel (4.5 MMT), crude (22.5 MMT) and edible oil (2.9 MMT)

Railways performance: APSEZ created a new record by handling 36,274 rakes transporting 98.32 MMT of cargo in FY 2021-22. Mundra in FY 2021-22 marked the highest number of double-stacked containers (5535) and highest number of TEUs handled by rail 18.55 lakh TEUs in a year. Dhamra handled 30 MMT, AKPL handled 11 MMT and the Gangavaram port handled 18 MMT of rail-bound cargo. APSEZ railway services helped maximise train placement efficiency, cost-effective handling, reducing dwell time of imported cargo and enhanced value for all our customers.



# The complement of our ports and terminals



**Grown from a single port to twelve Ports with ~538 MMT of installed capacity to handle all types of cargo.**

<sup>^</sup>under construction

# A profile of our ports

## Mundra port

# 264

MMTPA, Installed capacity



- Deep water, all weather, berthing-on-arrival port in the Gulf of Kutch
- A major economic gateway that caters to the northern hinterland of India
- 26 berths and two single point moorings (annual capacity to handle 264 MMT cargo with dedicated terminals for different

cargo and commodity types)

- Five container terminals (combined capacity 8.6 million TEUs)
- World's largest coal import terminal
- Equipped to handle dry bulk, break bulk, project cargo, Liquid, LNG, LPG, containers, automobiles and crude oil
- Capable of berthing fully loaded cape size vessels , VLCC , ULCC and post Panamax container vessels
- Connected to the Indian National Highway (NH) network through State Highway 48 via Anjar and SH-6
- Mundra port connected to National Highway 8A
- Privately developed rail network of 69 Km from Adipur to Mundra port, opening gates to nation-wide connectivity

- State-of-the-art container rake handling facility to handle double stack trains
- Natural gateway to the cargo hubs in the northern and western hinterlands of India
- Mundra SEZ is the first port-based multi-product SEZ
- State-of-the-art rail mounted quay cranes, high capacity GSUs and a fully-integrated high-speed conveyor system
- Five additional services introduced during the year will add 5,00,000 TEUs annually
- Enhanced cargo volume growth 4% and container volume 15% in FY 2021-22
- 8.5 MW of renewable power installation, state-of-the-art waste reception facility, 6.07 MLD of wastewater treatment capacity, zero waste-to-landfill certified port and certified single-use plastic-free port

## Dhamra Port

# 45

MMTPA, Installed capacity



- Deep-water, all-weather multi-user, multi-cargo port situated in Odisha on the east coast of India
- Port connected by road to NH-16 through the state highway.
- Four berths with an annual

capacity to handle 45 MMT of cargo.

- Equipped to handle dry bulk, break bulk, project cargo.
- Proximity to the mineral belts of Odisha, Jharkhand, Chhattisgarh, and West Bengal helps service hinterlands.
- Rail infrastructure inside the port consists of a bulb type arrangement (2 wagon tippers, 1 track hopper, 1 steel full rake unloading siding, 4 rapid loading silos, 2 manual loading lines and one fertiliser siding).
- Connectivity to the railway network through non-Government railways for 63 Km. Rail line doubling to be completed in H2 FY 2022-23.
- Surface water reservoir of

capacity 8 lakh KL, rainwater harvesting capacity of 50,000 liters, state-of-the-art waste reception facility, 315KLD wastewater treatment capacity and certified single-use plastic-free port.

- Gateway port for Nepal, Bangladesh and inland waterways connecting to industrial and mining belts.
- Dhamra LNG Re-gasification terminal project of 5 MTPA (expandable to 10 MTPA) to commence operations by FY 2022-23.
- The condensate water, generated from cold energy of LNG at 70 cubic metre per hour, will be used for port activities, saving groundwater consumption

## Hazira port

30

MMTPA, Installed capacity



- Deep-water port located in the Gulf of Khambhat, Gujarat
- Six berths with an annual capacity to handle 30 MMT cargo
- Equipped to handle dry bulk, break bulk, project cargo, liquid, containers and automobiles
- Convenient, international trade gateway to Europe, Africa, America and the Middle East
- Added new service in containers, namely 'IOS'
- Total liquid tank farm capacity operationalised is 6.19 lakh KL
- 5.6 MW renewable power installation,
- State-of-the-art waste reception facility, 160 KLD of wastewater treatment capacity

## Dahej Port

14

MMTPA, Installed capacity



- A dry cargo (multi commodities) port located in Gulf of Khambhat, Gujarat
- Two deep draft berths capable of handling up to Cape size vessels.
- Ro-Ro Jetty for project cargo movement through barges
- Handling capacity of 14MMTPA to handle all kinds of solid cargo in dry bulk and break bulk cargo, including coal, fertilisers, agri products, steel cargo and minerals, among others commodities
- Strategically located to serve a large hinterland, which includes the states of Rajasthan, Maharashtra, Madhya Pradesh and Gujarat.
- Achieved 20 million safe working hours
- Excellent road & rail connectivity established for the congestion-free evacuation of cargo. Rail connectivity established with Western Railway Line DMIC Corridor with 2 different railway sidings and road connectivity established by a 6-lane State Highway connecting the port with National Highway-8.
- Fully mechanised cargo loading systems and wagon loading systems are in place for handling coal and gypsum cargo
- 9.8 Km high speed elevated triangular gallery overland conveyor system for coal, pet coke and gypsum, which reduces dust pollution.
- 3MW renewable power, state-of-the-art waste reception facility, 80KLD of wastewater treatment capacity and certified single-use plastic-free port, waste disposal through 5R principal.
- Equipped with harbour cranes, hoppers and a fully integrated high-speed conveyor system and stacker cum reclaimers with stacking capacity of 4200 TPH and reclaiming capacity of 2,500 TPH

## Kattupalli Port

18

MMTPA, Installed capacity



- Located on the Coromandel coast, about 24 Km north of Chennai Port
- Three berths with an annual capacity to handle 18 MMT of cargo
- Equipped to handle containers, break bulk, liquid bulk and project cargo
- Equipped with Direct Port Delivery warehouse within the container yard to provide a seamless movement to the Authorised Economic Operator (AEO) and DPD consignments
- Dedicated payment gateway for DPD customers
- Off-dock container freight station (CFS) with 45,000 square feet of closed warehouse
- Commenced liquid terminal operations; handled 390,000 tonnes of cargo in FY 2021-22
- 1000 KW renewable power Installation including at the port breakwater, state-of-the-art
- Waste reception facility, 95KLD of wastewater treatment capacity, zero waste-to-landfill certified port and a certified single-use plastic-free port

## Tuna Terminal

# 14

MMTPA, Installed capacity



- All-weather, berthing-on-arrival port located off Tekra, Kandla Creek, Gujarat
- Capacity of 14 MMTPA and a draft of 16.2m; capable of handling 1,20,000 DWT vessels at berth
- Equipped to handle all kinds of dry bulk and break-bulk cargo, including coal, fertilisers, agri products, steel, cargo, and minerals, among others
- Connected to the National Highway 8A, a link to the Mumbai-Delhi corridor
- Equipped with high capacity Liebherr cranes, hoppers, and a fully integrated high-speed conveyor system
- 2 MW renewable power installation, state-of-the-art waste reception facility, 25KLD of wastewater treatment capacity and certified single-use plastic-free port

## Mormugao Terminal

# 5

MMTPA, Installed capacity



- Located on the west coast of India in Goa
- One berth terminal with an annual capacity to handle 5 MMT cargo
- Permitted to handle coal cargo; adequate infrastructure to handle Panamax and Capesize vessels
- Locational advantage in serving the Maharashtra and Karnataka hinterlands
- Fully mechanised material handling system comprising conveyor systems and stacker and reclaimers with stacking capacity of 5,000 TPH and reclaiming capacity of 2,500 TPH
- Certified single-use plastic-free port

## Ennore Terminal

# 12

MMTPA, Installed capacity



- Contemporary terminal located in the northern suburbs of Chennai; ideal alternative gateway for Chennai
- World-class container terminal with an annual capacity to handle 12 MMT cargo
- Well-integrated environment, which facilitates the management's faster decision making to enhance operational responsiveness
- 25KLD of wastewater treatment capacity, zero waste-to-landfill certified terminal and a certified single-use plastic-free port

## Dighi Port

# 8

MMTPA, Installed capacity



- The port will empower APSEZ to service customers in Maharashtra, North Karnataka, West Telangana and Madhya Pradesh
- Equipped to handle bulk, break bulk and liquid cargo with an annual capacity of 8 MMTPA
- Proposed to be a zero waste to-landfill port and single-use plastic-free port from the commencement of operations.

## Krishnapatnam Port

# 64

MMTPA, Installed capacity



- Located on the east coast of India in Nellore district of Andhra Pradesh (~180 Km from Chennai Port)
- All-weather, deep-water port has a multi-cargo facility with a capacity of 64 MMTPA
- Equipped to handle dry, liquid & container cargo
- 5 terminals with a combined quay length of 3.3 Km
- Krishnapatnam's operations

were benchmarked to APSEZ's philosophy, which resulted in an expansion in margins to 69% from 55% (before acquisition)

- 15 MW wheeled renewable power through a long-term power purchase agreement, state-of-the-art waste reception facility, 300KLD of wastewater treatment capacity and certified single-use plastic-free port

## Vizhinjam Port

# 18

MMTPA of under-construction capacity



- Deep draft, all-weather under-construction port in South Kerala
- Phase I capacity of the port will be 18 MMTPA
- Proposed zero-waste-to-landfill and single-use plastic-free port from the commencement of operations

## Gangavaram Port

# 64

MMTPA, Installed capacity



- Located about 5 Km South of Visakhapatnam, the industrial nerve centre of Andhra Pradesh
- All weather, multipurpose port with 9 berths with up to 19.5 m water depth, making it one of the deepest ports capable of handling fully laden Super Cape size vessels of up to 200,000 DWT
- Gangavaram Port provides efficient cargo handling services for a variety of bulk and break-bulk cargo groups including coal, iron ore, fertiliser, limestone, bauxite, raw sugar, project cargo, alumina, steel products etc.
- State-of-art mechanised handling systems, facilitating fast and efficient operations with

minimum cargo loss.

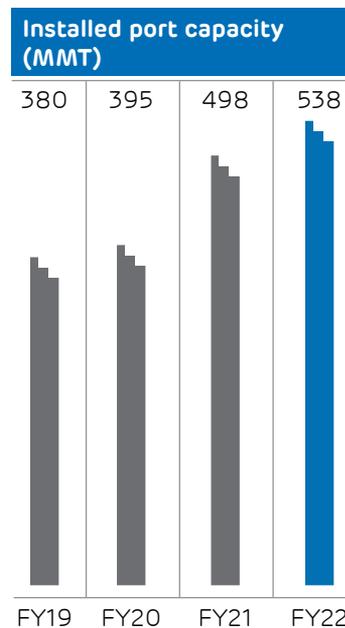
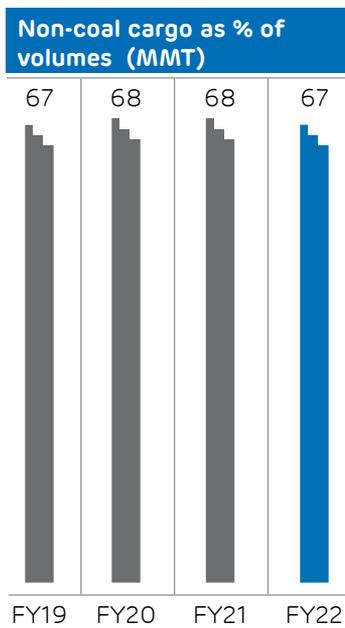
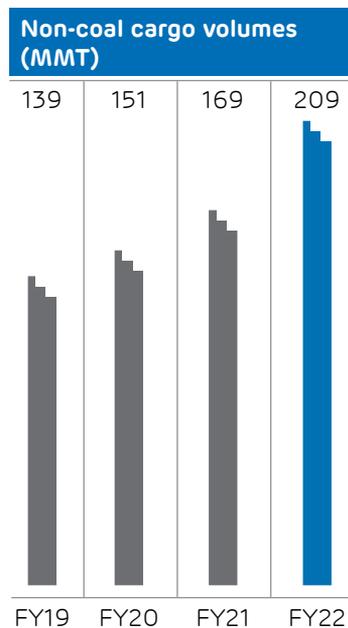
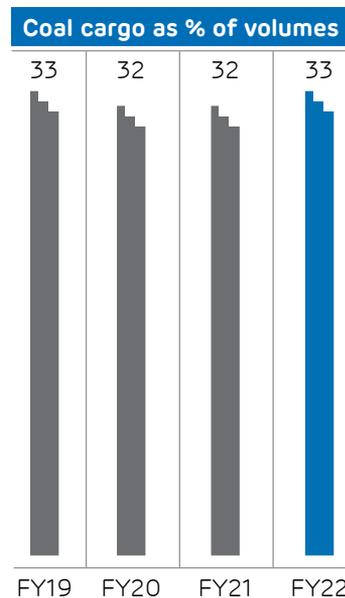
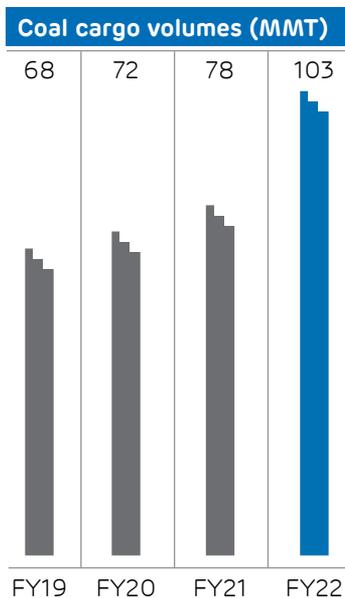
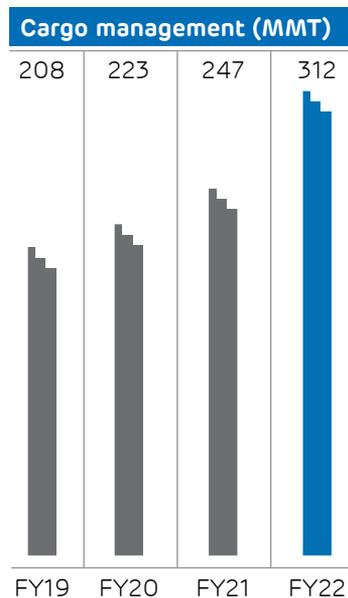
- Excellent road & rail connectivity established for congestion-free evacuation of cargo. Rail connectivity was established with the national network of Chennai-Howrah rail corridor and road connectivity established by a 4-lane expressway connecting the port with NH-16 (Chennai to Kolkata).
- With deep draft, efficient operations and excellent connectivity, Gangavaram is the gateway port for a hinterland spread over 8 States across Eastern, Western, Southern and Central India.

# Our operational performance over the years

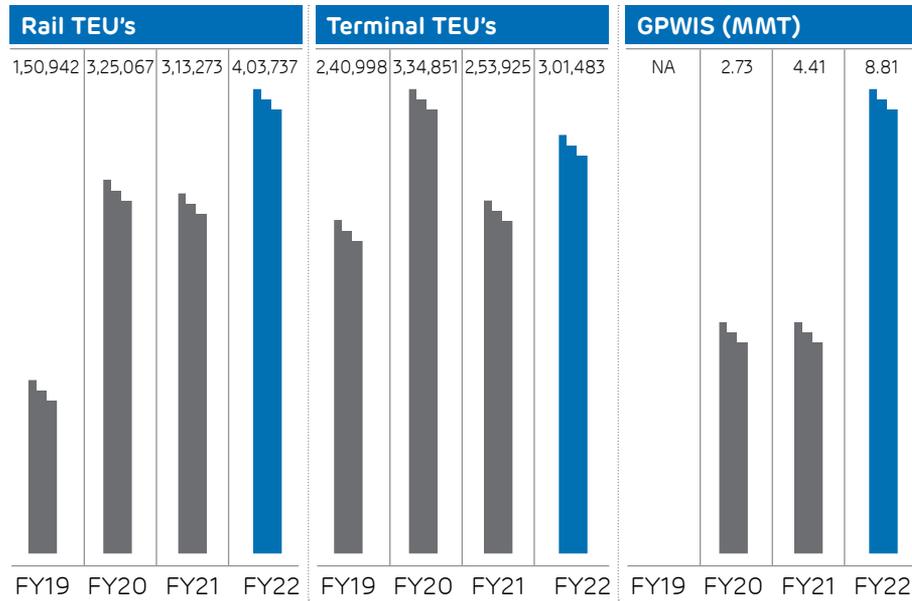
FINANCIAL STATEMENTS

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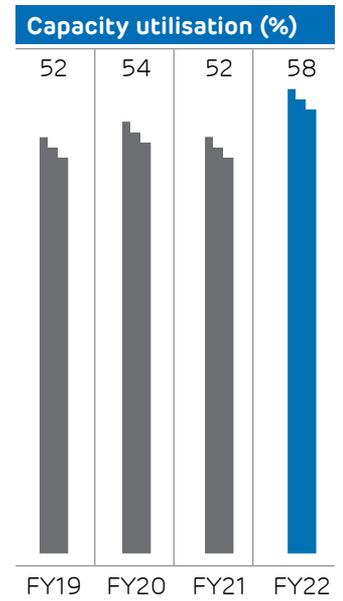
CORPORATE OVERVIEW



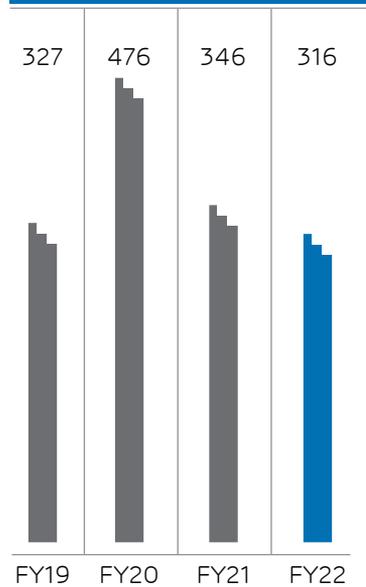
### Logistics volumes (MMT & TEUs)



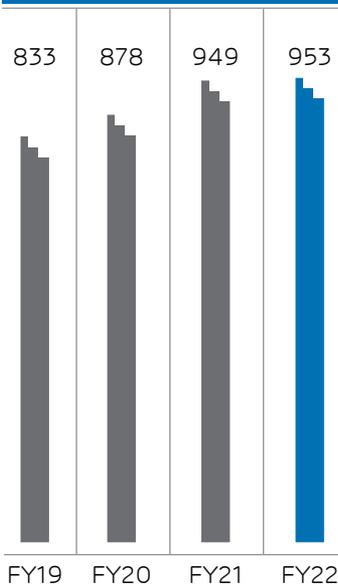
### The efficiency of our operations



### Pre-berthing delay (minutes)



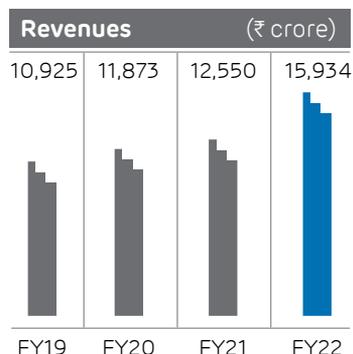
### Turnaround time (minutes)



### Operational productivity (MT / berth / day)



# How the strength of APSEZ's business model has delivered multi-year outperformance



#### Definition

Growth in sales net of taxes.

#### Why is this measured?

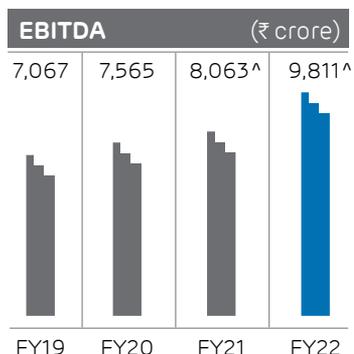
It is an index that showcases the Company's ability to enhance revenues, an index that can be compared with sectoral peers.

#### What does it mean?

This indicates the consolidated operating revenues of the Company.

#### Value impact

Aggregate consolidated operating revenues increased by 27% to ₹15,934 crore in FY2021-22, backed by the cargo growth and additional revenue streams achieved following track consolidation.



#### Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax) and foreign exchange (gain) / loss

#### Why is this measured?

It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

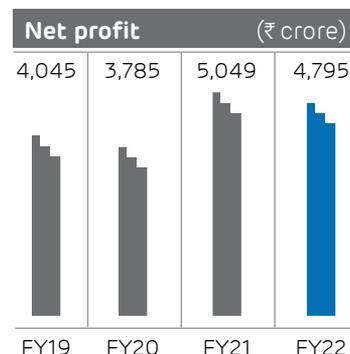
#### What does it mean?

Helps create a robust growth engine to sustain profits

#### Value impact

The Company generated an attractive surplus despite sectoral challenges.

<sup>^</sup>Excludes one-time transaction cost of ₹60 crore in FY 2021-22 and donation of ₹80 crore in FY 2020-21



#### Definition

Profit earned during the year after deducting all expenses and provisions.

#### Why is this measured?

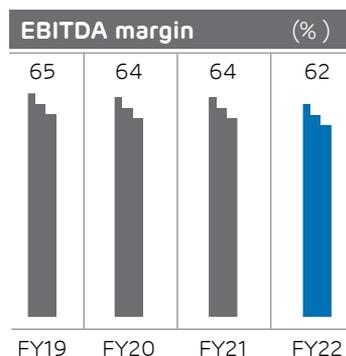
This measure highlights the strength of the business model in enhancing shareholder value.

#### What does it mean?

Ensures that adequate surplus is available for reinvestment.

#### Value impact

The Company reported a 5% decrease in net profit in FY 2021-22, mainly on account of adverse foreign exchange fluctuations.



#### Definition

EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency.

#### Why is this measured?

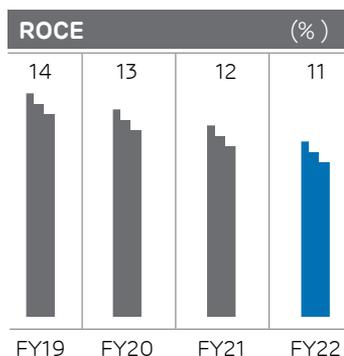
The EBITDA margin provides a perspective of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

#### What does it mean?

This demonstrates adequate buffer in the business, expressed as a percentage, which, when multiplied by scale, enhances surpluses.

#### Value impact

The Company reported an EBITDA margin at 62% during FY 2021-22; however, excluding EBITDA from port development, the margin was sustained at 64%.



#### Definition

It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business

#### Why is this measured?

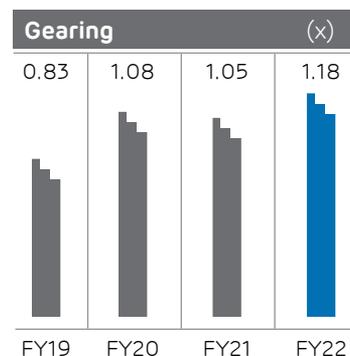
ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

#### What does it mean?

Enhanced ROCE can potentially drive valuations and perception.

#### Value impact

The Company reported a 53 bps decrease in ROCE due to acquisition of Krishnapatnam Port (25%) and Gangavaram Port (41.9%)



#### Definition

This is derived through the ratio of debt to net worth (less revaluation reserves)

#### Why is this measured?

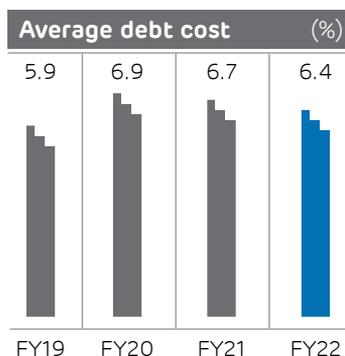
This is one of the defining measures of a company's financial solvency

#### What does it mean?

This measure enhances a perception of the borrowing headroom within the Company, the lower the gearing the better.

#### Value impact

The Company's gearing increased by 13 bps on account of the issuance of USD 750 million bonds.



**Definition**

This is derived through the calculation of the average cost of the consolidated debt on the Company's books

**Why is this measured?**

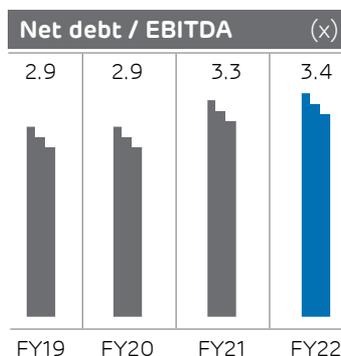
This indicates our ability in convincing lenders of the robustness of our business model, translating into a progressively lower debt cost (potentially leading to higher margins).

**What does it mean?**

Demonstrated ability to borrow at competitive costs; strengthened credit leading to successive declines in debt cost.

**Value impact**

The average debt cost of the Company declined by 30 bps during the year.



**Definition**

This is derived through the division of net debt by EBITDA

**Why is this measured?**

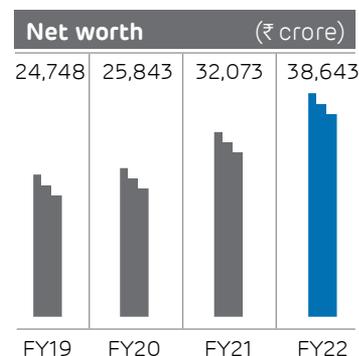
This indicates the Company's comfort in servicing debt – the lower the better.

**What does it mean?**

The Company's ability to meet its debt repayment obligations, an aspect of its solvency and one of the most important criteria used in the determination of the credit rating.

**Value impact**

The leverage increased marginally in FY 2020-21 and FY 2021-22 on account of cash outflows for the acquisition of equity stakes in Krishnapatnam Port and Gangavaram Port, but remained within the target range.



**Definition**

This is derived through the accretion of shareholder-owned funds.

**Why is this measured?**

Net worth indicates the financial soundness of the Company – the higher the better.

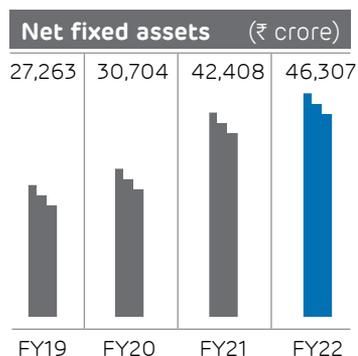
**What does it mean?**

This indicates the borrowing capacity of the Company and influences the gearing (which in turn influences the cost at which the Company can mobilise debt).

**Value impact**

The Company's net worth strengthened 20% during the year

Net ₹6570 crore of increase mainly on account of PAT of ₹4,795 crore, issuance of new equity shares amounting to ₹4,768 crore pursuant to composite scheme of arrangement, allotment of ₹800 crore worth of equity shares on preferential basis to windy Lakeside Investment Limited, partially offset by distribution of dividend worth ₹1,021 crore and acquisition of non-controlling stake of 25% in AKPL.



**Definition**

This is derived through the accretion of physical assets or infrastructure.

**Why is this measured?**

Net fixed assets indicate the Company's preparedness in building infrastructure for servicing the needs of the future.

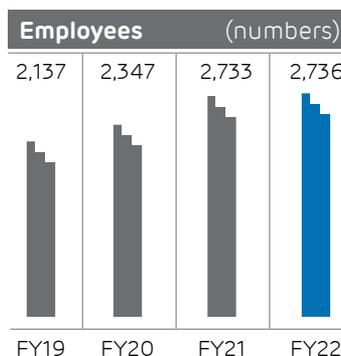
**What does it mean?**

This indicates the infrastructure room available within the Company, which serves as a platform for prospective growth

**Value impact**

The Company's net fixed assets strengthened 9% during the year under review.

Mainly on account of business combination and new addition through capex activity



**Definition**

This represents the people capital available within the Company.

**Why is this measured?**

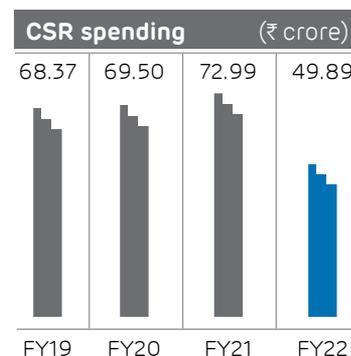
This indicates whether the Company is increasing its people capital with the objective to address the needs of the future.

**What does it mean?**

A relatively lower growth in people and a higher relative revenue growth indicate enhanced organisational productivity, the basis of value-creation.

**Value impact**

The Company performed better than the sectoral average



**Definition**

This is derived through corporate social responsibility spending.

**Why is this measured?**

This indicates the widening influence of the Company across its external stakeholders.

**What does it mean?**

This indicates a reinforcement of the community fabric around the Company's areas of presence

**Value impact**

The Company's CSR spending stood at ₹49.89 crores during the year under review.

Report Profile 

# Approach to Integrated Reporting

*This is our third Integrated Annual Report, a validation of our commitment towards transparent and holistic stakeholder communication. The report provides stakeholders a comprehensive assessment of our financial and non- financial metrics.*

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### Basis of presentation

Our integrated report is based on the principles contained in the International Integrated Reporting Framework (the International <IR> Framework) published by the International Integrated Reporting Council (IIRC). In this report, the statutory sections - the Directors' Report, including Management Discussion and Analysis (MDA), and the Corporate Governance Report - are as per the Companies Act, 2013 (including the Rules framed thereunder), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the revised Secretarial Standards issued by the Institute of Company Secretaries of India. The financial statements are in accordance with the Indian Accounting Standards (Ind AS). This report covers the guidelines and commitments related to the GRI Standards, United Nations Global Compact (UNGC) principles, National Guidelines Responsible Business Conduct (NGRBC), Sustainable Development Goals (SDGs) and India Business & Biodiversity Initiative (IBBI). It demonstrates our strategic alignment with a global commitment to combat

climate change and align it with TCFD recommendations. It covers the financial year from 1st April, 2021, to 31st March, 2022.

### Reporting Boundary

This report covers the financial and non-financial aspects of Adani Ports and Special Economic Zone Limited (APSEZ), subsidiaries and joint ventures (including SEZ and the Logistics business vertical). The financial reporting covers all geographies of APSEZ's operations and 92 entities while the ESG parameters being reported for India operations covers 30 entities with >95% revenue contribution.

### Audit and Assurance

We safeguard information quality contained in this Report through a robust verification process, leveraging our expertise and that of third parties who have no financial interest in our operations other than for the assessment of this report. The statutory section has been audited by M/s. Deloitte Haskins & Sells LLP, Chartered Accountants and the secretarial audit has been done by CS Ashwin Shah, Practising Company Secretary. The ESG information has been externally assured by Ernst & Young Associates LLP as

per the International Standard on Assurance Engagements (ISAE) 3000 and Type 2 'Moderate level' as per AA 1000 AS.

This document includes statements and commitments presenting the Company's future expectations, which may involve risks and uncertainties such as global markets, operational incidents, mega trends etc. We cannot guarantee that such statements will become a reality. The intensity for non-financial parameters has been calculated against the consolidated revenue (operational and other income) of 92 entities.

### Board and Management Assurance

The Board of Directors and Management Team acknowledge their responsibility to ensure the integrity of this Integrated Report. They believe the report addresses all material issues and presents the integrated performance in a fair and accurate manner.

Occasional differences in data and percentages in the graphs and tables are due to the rounding-off effect of values.

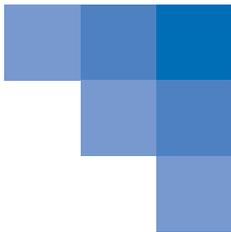
ADANI GROUP PROFILE

# The multi-business Adani Group is one of the most dynamic industrial conglomerates in India.

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Values



**Courage**

We shall embrace new ideas and business

Engaged in nation building

Vision

To be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

Enhancing stakeholder value

Enriching communities of its presence



**Commitment**

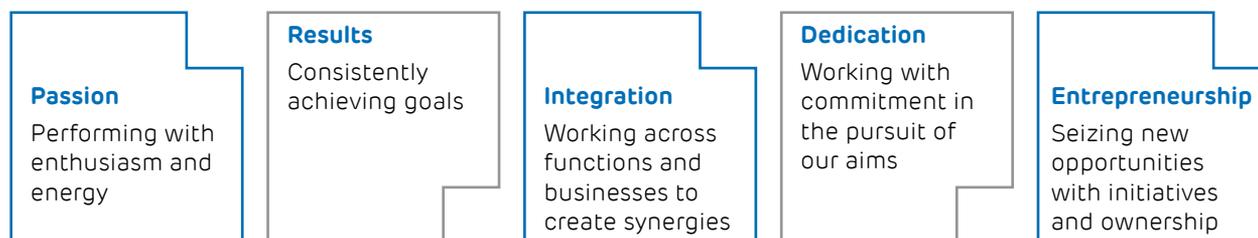
We shall stand by our promises and adhere to high standards of business

**Trust**

We shall believe in our employees and other stakeholders



## Culture



### The promoter

The Adani Group has been promoted by the visionary industrialist Mr. Gautam Adani. The Group was founded by Mr. Gautam Adani in 1988 as a commodity trading business, the flagship company being Adani Enterprises Limited (previously Adani Exports Limited).

### The Adani Group

Headquartered in Ahmedabad, India, Adani Group comprises the largest and fastest-growing portfolio of diversified businesses in India with interests in Logistics (seaports, airports, logistics, shipping and rail), Resources, Power Generation, Transmission & Distribution, Renewable Energy, Gas & Infrastructure, Agro (commodities, edible oil, food products, cold storage and grain silos), Real Estate, Public Transport Infrastructure, Defence & Aerospace, Mining Services, Copper, Petrochemicals, Data Centre and other sectors.

### The scale

Most of the Group's businesses are among the largest in India, generating attractive economies of scale. Adani Green Energy Limited is among the largest renewable energy businesses in India. Adani Total Gas Limited is the largest city gas distribution business in India. Adani Ports & Special Economic Zone Limited is the largest private sector port operator in India. Adani Wilmar is the largest edible oils brand in India. Adani Transmission Limited is the largest private sector transmission and distribution company in India. Adani Power Limited is the largest private sector thermal power producer in India.

### The visibility

The Adani Group comprises seven publicly traded companies with market capitalisation of USD 206 billion as of 29<sup>th</sup> April 2022.

### The positioning

The Adani Group has positioned itself as a leader in the transport logistics and energy utility portfolio businesses in India. The Group has focused on sizable infrastructure development in India with operations and maintenance (O&M) practices benchmarked to global standards.

### The core philosophy

The Adani Group's core philosophy is 'Nation Building', driven by 'Growth with Goodness', its beacon for sustainable growth. The Adani Group is committed to widen its ESG footprint with an emphasis on climate protection and increasing community outreach through CSR programmes woven around sustainability, diversity and shared values.

### The credibility

The Adani Group comprises four IG-rated businesses and is the only Infrastructure Investment Grade bond issuer from India.

# Adani: A world class infrastructure & utility portfolio

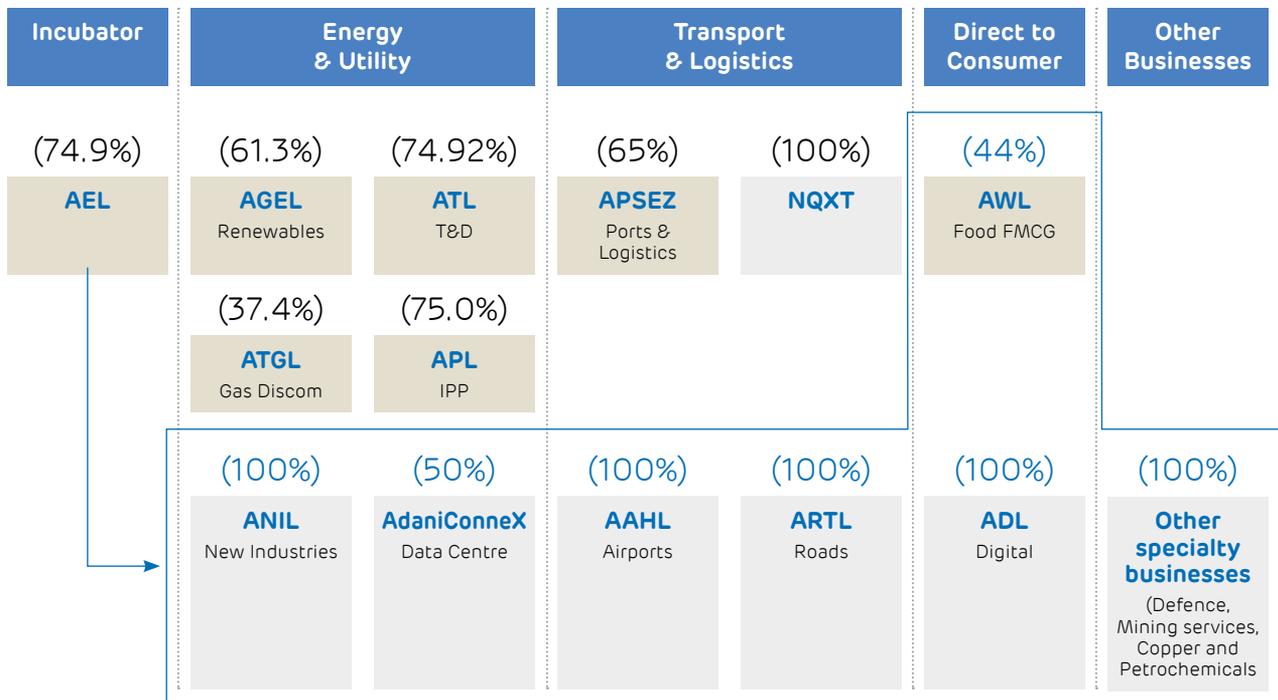


← Infrastructure and utility portfolio →

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(%): Promoter equity stake in Adani Portfolio companies

■ Represents public traded listed verticals

(%): AEL equity stake in its subsidiaries

~USD 206 billion combined market capitalisation

A multi-decade story of high growth and de-risked cash flow generation

**Marked shift from B2B to B2C businesses**

**ATGL:** Gas distribution network to serve key geographies across India

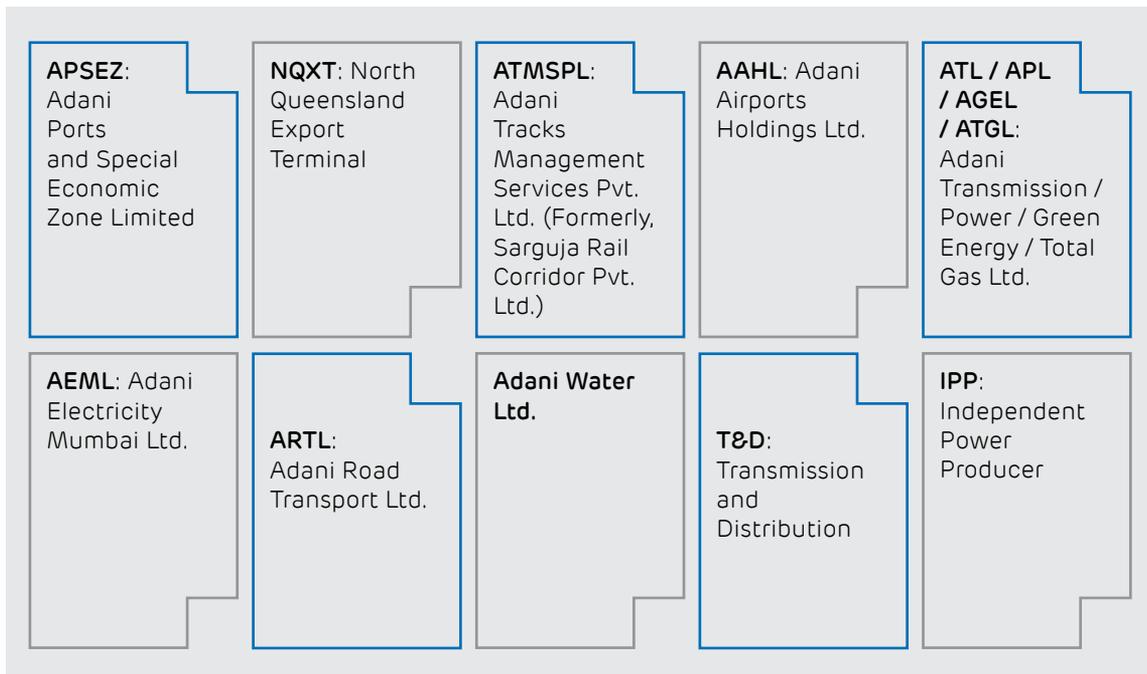
**AEML:** Electricity distribution network that powers the financial capital of India

**Adani Airports:** Operates, manages and develops eight airports in the country

**Locked in Growth**

**Transport & logistics:** Airports and Roads

**Energy & Utility:** Water and Data Centre



Opportunity identification, development and beneficiation are intrinsic to Adani Group's diversification and growth

# Adani Group: Repeatable & proven transformation investment model

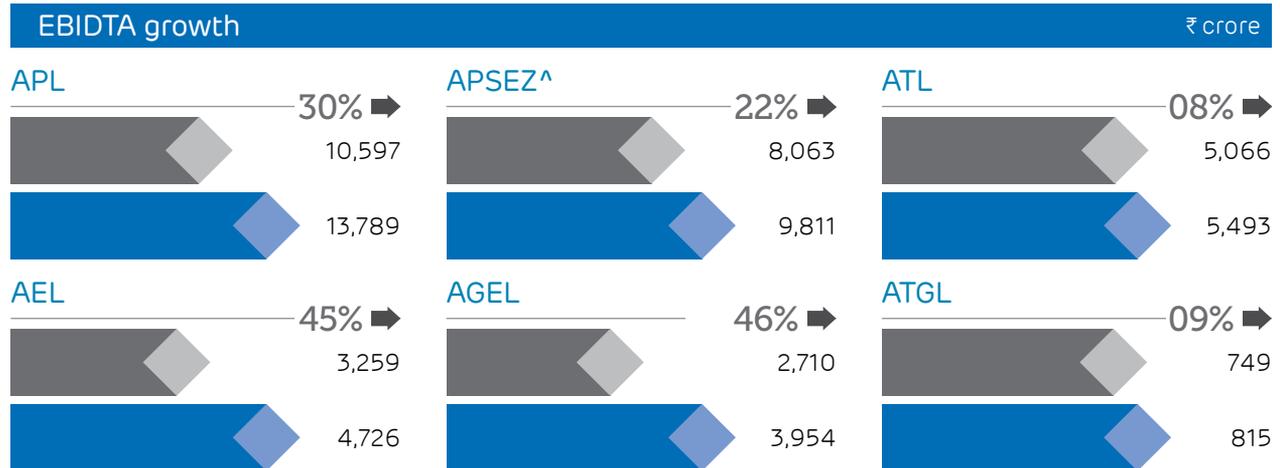
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	Phase	Development		Operations	Post operations
Activity	<b>Origination</b> <ul style="list-style-type: none"> <li>Analysis &amp; market intelligence</li> <li>Viability analysis</li> <li>Strategic value</li> </ul>	<b>Site development</b> <ul style="list-style-type: none"> <li>Site acquisition</li> <li>Concessions and regulatory agreements</li> <li>Investment case development</li> </ul>	<b>Construction</b> <ul style="list-style-type: none"> <li>Engineering &amp; design</li> <li>Sourcing &amp; quality levels</li> <li>Equity &amp; debt funding at project</li> </ul>	<b>Operation</b> <ul style="list-style-type: none"> <li>Life cycle O&amp;M planning</li> <li>Technology enabled O&amp;M</li> </ul>	<b>Capital management</b> <ul style="list-style-type: none"> <li>Redesigning the capital structure of assets</li> <li>Operational phase funding consistent with asset life</li> </ul>
	<ul style="list-style-type: none"> <li>India's largest commercial port (at Mundra)</li> </ul>	<ul style="list-style-type: none"> <li>Completed one of India's longest intra-state transmission lines of 897 ckm (Ghatampur Transmission Ltd.)</li> </ul>	<ul style="list-style-type: none"> <li>648 MW ultra mega solar power plant (Kamuthi, Tamil Nadu)</li> </ul>	<ul style="list-style-type: none"> <li>Energy Network Operation Center (ENOC)</li> </ul>	<ul style="list-style-type: none"> <li>First ever GMTN of USD 2 billion by an energy utility player in India an SLB (Sustainability-Linked Bond) in line with COP26 goals at AEML</li> <li>AGEL's tied up 'Diversified Growth Capital' with revolving facility of USD 1.35 billion fully fund its entire project pipeline</li> <li>Issuance of 20 and 10-year dual tranche bond of USD 750 million making APSEZ the only infrastructure company to do so</li> <li>Green bond issuance of USD 750 million established AGEL as India's leading credit in the renewable sector</li> </ul>
Performance	<ul style="list-style-type: none"> <li>Highest margin among peers</li> </ul>	<ul style="list-style-type: none"> <li>Highest line availability</li> </ul>	<ul style="list-style-type: none"> <li>Constructed and commissioned in nine months</li> </ul>	<ul style="list-style-type: none"> <li>Centralised continuous monitoring of solar and wind plants across India on a single cloud based platform</li> </ul>	<p><b>Debt structure moving from PSU banks to Bonds</b></p>
					<ul style="list-style-type: none"> <li>PSU banks</li> <li>Private banks</li> <li>DCM (Bonds)</li> <li>DII</li> <li>Global International Banks</li> <li>PSU-capex LC</li> </ul>

# How Adani Group companies performed in FY 2021-22

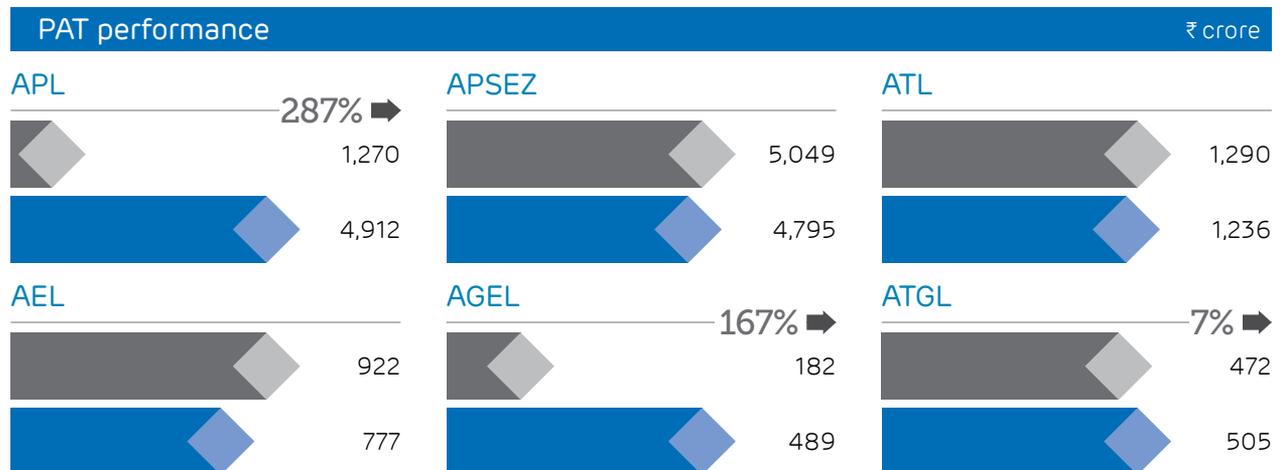


Strong growth in the consolidated EBIDTA of the listed companies of the Group by 26% in FY 2021-22 demonstrates the utility nature of the businesses

- APL EBIDTA improved due to improved tariff realisation and higher prior period income recognition
- AGEL's continued growth in EBIDTA was supported by an increase in revenues and cost efficiencies brought in through analytics driven O&M
- ATL EBIDTA grew on account of higher revenues in transmission and distribution segments.
- APSEZ EBIDTA growth was on account of an increase in cargo volume, operational efficiency and cost restructuring
- ATGL EBIDTA grew due to increase in sales volume and coupled with an improvement in the operating margin and cost optimisation
- AEL EBIDTA grew due to better margins in the IRM business and consolidation of the Mumbai Airport business

<sup>^</sup>APSEZ: EBIDTA excludes one-time transaction cost of ₹60 crore in FY 2021-22 and donation of ₹80 crore in FY 2020-21. EBIDTA excludes forex gain/loss, other income

■ FY 2020-21 ■ FY 2021-22



- All portfolio companies registered profit after tax (PAT)

■ FY 2020-21 ■ FY 2021-22

# The Adani Group's platform of foresight excellence, outperformance and leadership

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## The Adani Group businesses

Transport

Logistics

Energy

Direct-to-consumer

Metals &amp; materials

## The Adani Group growth platform

Betting on India

Strategic big picture

Making outsized investments in futuristic infrastructure

Investing at a competitive capital cost in a relatively low commissioning time

Creating long-term revenue visibility

Reinforcing attractive margins

## The platform

### India

At the Adani Group, we believe in and bet on India. We have observed that following the announcement of liberalisation in 1991, India has not just grown faster; it has compressed the GDP growth of the earlier decades into considerably fewer years for equivalent growth. India is now expected to transition from a sub-USD 3 trillion economy to a USD 5 trillion economy in the next few years.

At Adani Group, we proactively invested in businesses that will ride the middle-income consumption engine seeking improved life quality. We have invested not on the basis of what is, but on what can be. By making disproportionate investments, we intend to shift the needle not just for the Company but for the country as a whole - with the objective of extending access, reducing costs, widening the market and, in doing so, helping strengthen India.

### Competitive advantage

At the Adani Group, we believe that the ability to make a significant national contribution can only be derived from a broadbased competitive advantage that is not dependent on any one factor but is the result of an overarching culture of excellence – the coming together of adjacent business presence, rich sectorial experience, timely project implementation, ability to commission projects faster than the sectorial curve, competence to do so at a cost lower than the industry average, foresight to not merely service the market but to grow it, establish a decisive sustainable leadership and evolve the Company's position into a generic name within the sector of its presence.

### Relatively non-mature spaces

At the Adani Group, we have selected to enter businesses that

may be considered 'maturely non-mature'. Some of the businesses can be classified as mature, based on the enduring industry presence and the conventional interpretation of their market potential; these very businesses can be considered non-mature by the virtue of their vast addressable market potential and the superior Adani Group value proposition. The result is that the Adani Group addresses sectorial spaces not on the basis of existing market demand but on the basis of prospective market growth following the superior Adani sectorial value proposition.

### Outsized

The Adani Group has established a respect for taking outsized bets in select sectors and businesses without compromising Balance Sheet safety. The Group establishes a large capacity aspiration that sends out a strong message of its long-term

direction. Its outsized initial capacity establishes economies of scale within a relatively short time horizon that deters prospective competition and generates a substantial cost leadership (fixed and variable) across market cycles.

### Technology

The Adani Group invests in the best technology standards of the day that could generate precious additional basis points in profitability and help more than recover the additional cost (if at all) paid within a short tenure. This superior technology standard evolves into the Company's sustainable competitive advantage, respect, talent traction and profitability.

### Execution excellence

The Adani Group has built a distinctive specialisation in project execution, one of the most challenging segments in India. The Group has established benchmark credentials in executing projects faster than the sectorial average by drawing from the multi-decade Adani pool of managerial excellence across a range of competencies. This capability has resulted in quicker revenue inflow, increased surplus and competitive project cost per unit of delivered output.

### Scalable financial structure

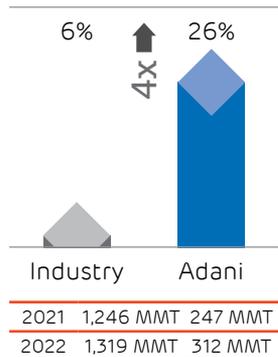
The Adani Group has created a robust financial foundation of owned and borrowed funds (the lowest cost by far for infrastructure building companies in India). This enhanced credibility makes it possible for the Adani Group to mobilise resources from some of the largest global lenders at among the lowest costs. This approach helps transform these marquee institutions from mere lenders to stable resource (fund or growth) providers for the long-term.

### Ownership

The Adani Group comprises a high promoter ownership, validating a commitment and ownership in projects.

## Adani Group's outperformance

### Port cargo throughput growth (MMT)

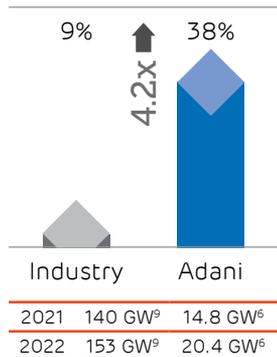


**APSEZ**

Highest margin among peers global

EBITDA margin: 70%<sup>1,2</sup>  
Next best peer margin: 55%

### Renewable capacity growth (GW)

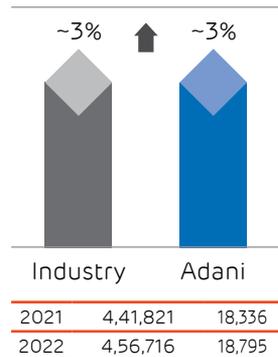


**AGEL**

World's largest solar energy developer

EBITDA margin: 91.8%<sup>1,4</sup>  
Among the industry's best

### Transmission network growth (ckm)

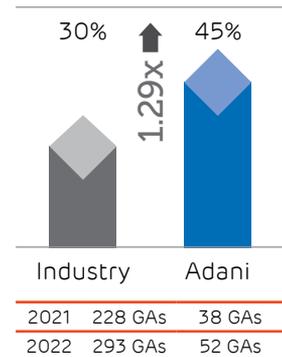


**ATL**

One of the highest network availability among peers

EBITDA margin: 92%<sup>1,3,5</sup>  
Next best peer margin: 88%

### City gas distribution<sup>7</sup> growth (GAs<sup>8</sup> covered)



**ATGL**

India's largest private CGD business

EBITDA margin: 25%<sup>1</sup>  
Among the best in industry

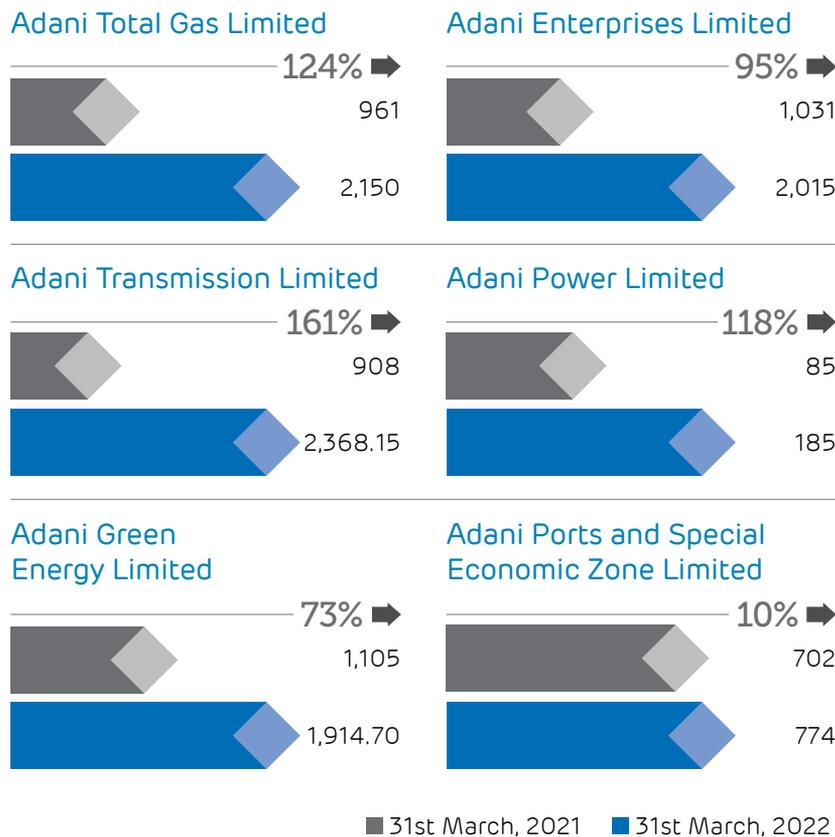
## Transformative model driving scale, growth and free cash flows

**Note:** 1. Data for 2021-22; 2. Margin for ports business only, Excludes forex gains/losses; 3. EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4. EBITDA Margin represents EBITDA earned from power supply 5. Operating EBITDA margin of transmission business only, does not include distribution business. 6. Contracted & awarded capacity 7. CGD – City Gas distribution 8. GAs - Geographical Areas - Including JV | Industry data is from market intelligence 9. This includes 17GW of renewable capacity where PPA has been signed and the capacity is under various stages of implementation and 29GW of capacity where PPA is yet to be signed'

# How Adani Group companies performed in a challenging FY 2021-22

(share price in ₹)

## Movement in the Adani listed portfolio on the stock exchanges in 2021-22



All Adani portfolio stocks generated a healthy growth.

## The Adani Group: Establishing benchmarks

### Largest

India's largest commercial port (Mundra)

India's largest private sector ports company

India's largest single location private thermal IPP (Mundra)

One of the world's largest ultra mega solar power plant of 648 MW at Kamuthi (Tamil Nadu)

### Largest

Ports company enjoying the highest margin among peers

One of the highest transmission line availability in India

Aiport infrastructure company in India

### Quickest

The 648 MW solar power Kamuthi plant commissioned in only nine months

### Longest

Completed one of the India's longest intra-state transmission lines of 897 ckm (Ghatampur Transmission Ltd.)

 CHAIRMAN'S MESSAGE

Optimism comes from  
Resilience. Resilience  
comes from Belief. Belief is

# Optimism

To say the world is in uncharted waters would be an understatement.

The adverse impact of a mix of the pandemic, armed conflict and climate change has exposed the fragility of the global system that we had largely considered as having competently learned how to manage itself. It has now dawned on governments across the world that the implications of this multidimensional crisis are hard to predict, may complicate further and that signs of its damaging effects — uncontrolled inflation, disrupted food supplies, increased human displacement, exposed healthcare machinery, stalled education levels and faltering job creation ecosystems — are evident and testing the resilience of every nation.

Resilience is defined as the characteristic that makes it possible to rebound into shape; it is the ability to withstand crises; it is the ability to face uncertainties with curiosity and optimism. This capacity to rebound is becoming harder to model or predict as the crises drivers are becoming harder to anticipate and increasingly intermingled. While there is always room for debate, there can be no denying that, looking back, India has emerged far better in its handling of the Covid-19 crisis from the humanitarian and economic perspectives than most developed economies. India has been able to take a mature approach to the ongoing conflict and has been one of the most aggressive nations in terms of establishing a renewable energy target for itself; while doing all

of this, India has also emerged as the fastest growing major economy.

The overarching takeaway is that despite global instability, India has fared better than almost any other major nation. While there were situations over the past 24 months when it appeared that events were getting out of control, we must give credit where credit is due — India was able to bounce back each time, a testimony to our nation's resilience. In my view, utopian as some may call it, India's resilience comes from its historic culture that has been shaped across thousands of years — a model of co-existence that actually works and the philosophy of 'vasudhaiva kutumbakam', which means that the world is one family.



In my view, utopian as some may call it, India's resilience comes from its historic culture that has been shaped across thousands of years - a model of co-existence that actually works and the philosophy of 'vasudhaiva kutumbakam', which means that the world is one family.

**45%**

EBITDA growth of AEL's incubator business

## A culture of resilience

It is India's inherent resilience that provides our nation its underlying optimism. My belief in our nation has never been higher. To use a cricketing analogy, we are now playing on one of the strongest home grounds and on one of the firmest pitches that has ever existed. This pitch is expected to remain firm for several decades. Optimism comes from resilience. Resilience comes from belief. And belief is optimism.

In our case, it is this resilience, optimism and belief that drives us. The primary reason for the success of the Adani Group comes from our alignment with the India growth story. Never have we shied from investing in India, never have we slowed our investments, and never have we feared to enter adjacent sectors – our resilience comes from this unshakeable belief and confidence in the aspirations of our fellow Indians and the future of India.

During the journey of more than 25 years, there were uncharted waters we entered and multidimensional crises that we faced. While we may have stumbled a few times, we were always able to get back on our feet. Our ability to rise after every stumble meant we grew bigger and stronger by drawing

on our experience. It is these experiences that have enriched us with resilience and laid the foundation of our optimism.

At a fundamental level, our strategy is linked to the strategy of the nation. Over the past decades, we have always believed in the policies announced by the Government, have continued to invest through all economic cycles, watched for emerging sectors critical for the country's growth and entered new sectors with a confidence in our learning and operating abilities. We have grown adjacency by adjacency without getting hung up on textbook business models. We have built infrastructure anticipating a far larger and greater India; this confidence has paid dividends.

The sum of these investments of the past empowered us to address the present crisis and set us up stronger to handle any new crisis in the future. It is this future that unfolded over the period 2021-22. This was a year when we announced ourselves to the world. In 2021-22, our confidence in our ability was validated. Our belief in our past defines our ability to believe in our future, translating into the big bets that we make.

## Preparing to go 'green'

The best recent evidence for our confidence and belief in the future has been the USD 70 billion investment we announced in facilitating India's 'green' transition. We are already one

of the world's largest developers of solar power. Our strength in renewables will empower us enormously in our effort to make 'green' hydrogen, the fuel of the future; it will equip us to produce

Our combined Group market capitalisation exceeded USD 200 billion. We raised billions of dollars from the international markets - a validation of confidence in the India and Adani growth stories.



the least expensive 'green' electron and the least expensive hydrogen. We are leading the race to transform India from a country that is over-reliant on imported oil and gas to a country that can become a net exporter of clean energy. This would be a 'never-done-before' transformation in fortunes in a stunningly short period of time across the largest scale. This transformation will help reshape India's energy footprint in an extraordinary way.

While we are now a major global renewable energy player, we made remarkable progress in several other industries. In one stroke, we have become the largest airport operator in India. Around the airports where we

operate, we are engaged in the adjacent business of building aerotropolises and creating localised community-based economic centres. We have made entries in sectors ranging from data centres, super apps and industrial clouds to defence and aerospace, metals and materials – all aligned with the Government's vision of an Atmanirbhar Bharat.

We continue to grow as builders of India's infrastructure, winning some of the largest road contracts in the nation and growing our already substantial market share in businesses like ports, logistics, transmission and distribution, city gas and piped natural gas. The successful IPO of Adani Wilmar made us the largest

FMCG company in the country and we are now the second largest cement manufacturer in India. This year, our combined Group market capitalisation exceeded USD 200 billion. We raised billions of dollars from the international markets – a validation of confidence in the India and Adani growth stories. This growth and success have been recognised around the world. Foreign governments now come to us with proposals to work in their geographies and help build their infrastructure. The result is that in 2022 we laid the foundation to seek a broader expansion beyond India's boundaries.

I have no reason to believe that over the next two decades we will not suitably address this challenge. It is a virtuous cycle that is driven by the growth in the middleclass population and India today enjoys the world's firmest pitch on which to bat.

## Robust results, record numbers

The growth in our market capitalisation has been supported by a robust and sustained growth in our cash flows. Our focus on operational excellence and accretive capacity addition delivered, across our portfolio, an

EBITDA growth of 26%. Portfolio EBITDA stood at ₹42,623 crore. This growth was diversified and reflected across our businesses, the results speaking for themselves.

## Group highlights

- Our Utilities portfolio grew 26%
- Our Transport and Logistics portfolio grew 19%
- Our FMCG portfolio grew 34%; and
- Our Incubator business, represented by AEL, grew 45%

The high growth of our incubator AEL provides the group with a robust foundation for the continued development of new businesses for yet another big decade. AEL's unique business model has no parallel and we intend to leverage this further.

## Segment highlights

### AGEL

- Adani Green Energy Limited added 1,940 MW operational capacity in FY 2021-22 (greenfield commissioning 200 MW and inorganic addition 1,740 MW)
- Adani Green Energy Limited's solar capacity utilisation factor (CUF) improved 130 bps YoY to 23.8% and wind CUF improved 400 bps YoY to 30.8% in FY 2021-22

### ATL

- Adani Transmission Limited added 1,104 ckm to its network, reaching 18,795 ckm, and sold a record 7,972 million units during the year.

### APSEZ

- Adani Ports and Special Economic Zone Limited cargo volume grew 26% to 312 MMT in FY 2021-22; the journey from 200 MMT to 300 MMT in cargo volume was achieved in the record time of just three years.
- Adani Ports and Special Economic Zone Limited also handled record container volume of 8.2 million TEUs, a growth of 14%

### ATGL

- Adani Total Gas Limited added 117 CNG stations, 556 commercial, 154 industrial and 85,840 domestic customers, a combined volume of 697 MMSCM (CNG+PNG)

## Strategic highlights

- Adani Green Energy Limited completed the acquisition of Softbank's 5 GW renewable energy portfolio
- Adani Enterprises Limited commenced operations of its

Bravus mine in Australia.

- Adani Enterprises Limited took over operations of the Guwahati, Jaipur and Thiruvananthapuram airports and completed the acquisitions

of MIAL and NMIAL.

While we can look back and feel content, we are only now gathering momentum. What we have built over two decades is India's largest integrated infrastructure business based on a rapid extension into adjacent businesses. The result is that this is now being transformed into an

integrated 'platform of platforms' that combines energy with logistics. This is moving us closer to an unprecedented access to the Indian consumer. I know of no company that has such a business model with potential access to an unlimited B2B and B2C market for the next several decades.

### A landmark year

It is here that I also want to take a moment to reflect on 2022 as a year with special personal meanings. It represents the 100th birth anniversary of my inspiring and role model father Shri Shantilal Adani, and my 60th birthday. To mark this milestone, the Adani family came together and decided to contribute ₹60,000 crore towards charitable activities related to healthcare, education and skill development, especially for rural India. These three areas should be seen holistically, rather than separately, because they

collectively form the drivers for an equitable and future-ready India. We have an opportunity in India to decisively lift tens of millions of people permanently out of poverty. We owe it to ourselves and our country to do everything we can to catalyse that process. Our experience in large project planning and execution and the learnings from the ongoing work done by the Adani Foundation will help us uniquely accelerate and implement these programmes across societies that need them the most.

### The road ahead

Getting back to the theme of optimism as a driving force for a society, Martin Seligman, often referred to as the 'father of positive psychology', wrote in the Harvard Business Review that he came to his insights into the power of optimism 'the long, hard way, through many years of research on failure and helplessness.' Essentially, he discovered over several years of studies, that resilient people develop the courage of interpreting setbacks as temporary, local and changeable. A quote attributed to Winston Churchill echoes Seligman's findings on resilience. "Success

is not final," Churchill is supposed to have said, "failure is not fatal: it is the courage to continue that counts."

The reason I have always been inspired by writing and thinking around resilience is because as an entrepreneur, my philosophy has always been to keep trying. I am an incurable optimist. My optimism is founded on my belief in our ability to create a better future. This is why I always argue that India has become one of the greatest countries in which to be an entrepreneur. The prospects and potential for the future are dazzlingly bright. In India, I see a real relish to finally reclaim our

# 26%

Portfolio EBITDA growth,  
FY 2021-22

# ₹42,623

crore, portfolio EBITDA,  
FY 2021-22

former economic stature and our position as a pivotal force in global affairs. There will be bumps along the road, as has been the case in the past, and is expected to be the case in the future. However, there cannot be any doubt that the largest middle-class that will ever exist, augmented by an increase in the working age and consuming population share, will have a positive impact on India's growth rates, much in line with the demographic dividend that India enjoys.

I have no reason to believe that over the next two decades we will not suitably address this challenge. It is a virtuous cycle that is driven by the growth in the middle-class population and India today enjoys the world's firmest pitch on which to bat.

**Gautam Adani**

*Chairman*

CEO's message 



At APSEZ, we made proactive investments to grow our transport utility personality.

decades later, this DNA of delight has become the driving force of our company, growing it from one port to an ownership across 12 ports in the Indian sub-continent. The result is also that a company with just one port is now a multi-port operation, easily the largest in India, among the five fastest growing port companies in the world and possibly the most profitable port company anywhere.

**Culture of excellence**

This perspective was necessary to explain why APSEZ reported a 26% growth in cargo managed and 27% increase in revenues during the last financial year; the Company reported 40% increase in cargo managed coupled with 34% increase in revenues through the last two years, easily among the most challenged phases in the modern economic history of our country and world.

If APSEZ outperformed the growth of the Indian economy in general and the ports sector in particular, it was the result of more than just a resilient fabric; it was due to an overarching culture of excellence. This culture has a simple thread to it: 'Whatever you do, do it better than anyone else and then do it better than how you did it earlier.' The result is that the APSEZ growth story is about thousands of kaizens, benchmarks and practices; in this culture of excellence, sustainable growth is a consistent byproduct.

The performance of the sector during the year under review was affected by the performance of the global economy. Even as the global economic growth recovered from (3.1%) in the previous year to 6.1% during 2021, the underlying current was one of guarded optimism extending to apprehension. This uncertainty was on account of a number of realities that transpired during the year under review: decline in the availability of shipping containers,

**Overview**

To faithfully communicate our performance for the year under review, it would be necessary to go back to the point when we entered the business.

APSEZ entered the business of port operation services not from the perspective of a transaction that would make it possible to transfer cargo from port to ship and vice versa; it went into business with the singular objective of turning vessels around faster, delighting fleet owners and enhancing their

preference to work through our fledgling Mundra port in the face of varied choice.

This singular obsession to delight became the DNA of our company. The focus extended from delighting external customers to a commitment to delight internal customers and thereafter to every stakeholder across the value chain. The result is that soon our Mundra port was recognised for its capacity to service fastest, moderate costs and provide a logistical solution.

More than two and a half

an unprecedented increase in freight costs, decline in the availability of semiconductor chips and the outbreak of the Russia-Ukraine war that dampened global trade.

The ferment of these global realities had a contrasting fallout on India. On the one hand, the increase in costs and the geopolitical reasons affected the country's economic growth - from an initial estimate of in excess of 10% to finishing the year under review with less than 9%. However, not all the impact on Indian economy was negative. Even as short-term considerations were affected, the long-term relevance of global developments on the Indian economy emerged as distinctively positive. This was on account of a disruption in the global supply chains especially when back-ended by supplies from China. By the close of the year under review, a distinctive need to moderate supply chain dependence on China had emerged, best captured in the 'China+1' direction. India, with demographics and size closest to China, is expected to emerge as the principal beneficiary of this supply chain broadbasing. This could translate into a larger demand for manufactured volumes in India for the world, evolving India's positioning from 'Atmanirbhar Bharat' to 'Bharat par nirbhar'.

The principal message that one needs to send out is that the inflection point of this decisive shift appears to have begun. This is a shift of long-term implications that could catalyze manufacturing, port volumes and India's exports. As a forward-looking company, we do not merely see the need for port-managed volumes; we see an even larger role to make India's exports competitive through the timely service of providing logistical and transportation services. These services will be more than one from port to factory or customer's premises

and vice versa; these services will be directed to plugging gaps of a large multi-modal transportation and logistical service that seeks to enhance national logistical competitiveness. Here too, we do not wish to be just another player; we intend to emerge as the largest transport utility in India.

#### Our transport utility personality

At APSEZ, we made proactive investments in line with our commitment to grow our transport utility personality. We invested in a complement of around 100 trains, eight operational multi-modal logistic parks and total grain silo capacity of around 1.2 MMT by FY23. With 5 mn sq ft of warehousing capacity under construction/ operation, we are on track to achieve our guided capacity of 60 mn sq ft.

Going ahead, we intend to build railway tracks of 2000 kilometers, a 200% growth, and build 15 MMLPs or three times the current count. The Company completed the Sarguja Rail acquisition. APSEZ now holds a rail portfolio of 690 km, including 70 kms of rail lines acquired during the last year. This acquisition of Sarguja Rail from another Adani Group company through a composite scheme of arrangement was first approved by 92% minority shareholders and then by NCLT. The result is that SRCPL is consolidated in APSEZ books with retrospective effect (1st April, 2021) and all rail assets are consolidated under the single entity of 'Adani Track Management Services'.

#### What does APSEZ possess that could make it a first mover in this rapidly transforming landscape?

One, we possess the experience of having grown through economic cycles. Two, we possess a multi-terrain familiarity. Three, we possess a multi-modal experience or ownership. Four, we possess multi-year customer relationships. Five, we possess a robust Balance

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# 27%

increase in revenues during the last financial year

**312**

MMT, Cargo volume,  
FY 2021-22

**500**

MMT, Cargo volume,  
FY 2024-25

Sheet. Six, we possess a capacity to 'see' the future, embrace challenges and excel in project implementation.

When you put all these realities together, you get an APSEZ that is attractively positioned to graduate from just a port service provider to a complete logistical partner. This implies that companies are more likely to engage with us to move products from one point to another across the vast Indian land mass – faster and at a lower cost. The result is that we are graduating from a relatively small slice of the overall logistical cake to the cake itself; we are graduating from a transaction to solution; we are graduating from a small part of the customer's logistical wallet to a sizable slice; we are graduating from being peripheral to the customer's logistical spending to mission-critical.

What enhances the possibility of our transforming this business model into a decisive advantage is that it has been woven around an ESG priority. This ESG commitment has been embedded into the Company; it is not a decision or an initiative; it is how we think.

An overarching respect for environment considerations implies that we are not just committed to growing our business in the usual way; we are committed to growth progressively decoupled from our carbon footprint. We have resolved to emerge among the most responsible ports in the world through our commitment to moderate our carbon footprint, increase the use of renewable energy and eliminate single-use plastic across our premises. The Company remains committed to its ambition of making its ports carbon neutral by 2025, and thereafter progress on the net-zero journey, for which a plan will be released this year.

In terms of the renewable share of electricity, emission intensity and water intensity, APSEZ outperformed its FY22 targets. The initiatives undertaken for changing the energy mix comprise electrification of RTGs, electrification of quay cranes, purchase of electric ITVs and other equipment. While APSEZ added some renewable generation capacities at select ports, the Company is discussing a larger tie-up for an additional 350 MW of renewable capacity. APSEZ enhanced its ambition for mangrove afforestation of a total of 5000 hectares. The Company conducted different engagements with customers, employees, suppliers and the community to adopt the best ESG practices and standards.

From a Social point of view, APSEZ will do what it always had. The Company will invest in widening the circle of prosperity from its premises to its hinterland, enriching the lives of the marginalized. The Company will continue to train its employees, enhancing skills; it will provide vendors with a growing order book visibility in exchange for procurement economies that enhance the Company's competitiveness.

From the Governance perspective, your company will deepen its existing culture of Board-driven direction setting; it will deepen standards of transparency, communication and strategic clarity.

**Industry 4.0**

A key feature of the Company's future-facing approach is digitalization and automation. The Company is integrating Industry 4.0 into its operations, catalysing its evolution into one of the leading ports of the world. To strengthen its digital footprint and to ensure seamless connectivity

between our ports and other logistics infrastructure arms, we are developing an Integrated Transport Utility Platform (ITUP) for customers. This ITUP platform, while being built for end-to-end connectivity, will measure productivity of activities and record deviations in real-time. This ITUP will act as a marketplace for all customers and suppliers that provides a complete visibility on the entire Chain of Custody of consignments, logistics cost options, delivery time and carbon footprint, among others. The system will empower customers with decision making and complete transparency leading to the ease of doing business.

#### Performance review, FY 2021-22

The FY 2021-22 was a record year for our company as we generated a record cargo volume of 312 MMT; Mundra port alone handled 150 MMT, a feat that has not been achieved by any other commercial port in the country.

This achievement underlines the Company's ability to adapt to rapid changes – tactical and structural – and emerge stronger. This has been a recurring feature of our personality: while it took 14 years for the Company to achieve 100 MMT of annual cargo throughput (with five ports), the Company doubled to 200 MMT (with nine ports) in only five years; the milestone of 300 MMT of cargo management (with 12 ports) was achieved in only three years (including two years of global economic slowdown and uncertainty following the pandemic).

During the year, the Company reported record acquisitions and large project wins. The Company adopted a multipronged strategy encompassing geographic expansion with a focus on higher-growth regions, balancing our cargo mix.

The Company strengthened its business model during the year under review through a series of inorganic initiatives. These actions of ports strengthened the Company's necklace positioning around the Indian coastline.

The Company purchased the remaining 25% stake in KPCL, purchased 41.9% stake in the Gangavaram port and signed an agreement with the promoters for acquisition of the balance 58.1% stake (following NCLT approval), acquisition of India's leading third-party marine services provider Ocean Sparkle Ltd. (OSL).

These initiatives indicate our commitment to balance our east-west coastal presence and widen our geographical reach across high growth regions. This sequence of ports across the country validates our commitment to emerge as a port-based gateway for products coming into or leaving the country, making our company a faithful proxy of the country's competitiveness.

With five ports in the east coast the Company is favourably placed to carve away the high-growth BIMSTEC business, i.e. countries in the littoral and adjacent area of the Bay of Bengal. Similarly, the acquisition of Ocean Sparkle will empower us to handle cargo abroad to the Middle East. India's leading third-party marine service provider Ocean Sparkle has 94 sea-worthy vessels including 75 tugs, with 27 years of operation and presence across 28 ports in India and a rich experience of working in key global marine houses.

During the year, APSEZ concluded two strategic partnerships. The first was a joint venture with John Keells Holdings and Sri Lanka Port Authority for the construction of Colombo West International Terminal-II; the second was a partnership with Flipkart for the construction of a 534,000 sq. ft.

fulfilment centre in the upcoming logistics hub at Mumbai.

As a part of our cargo diversification, we added LPG and LNG cargo to our portfolio. In FY2022, APSEZ handled 1.5 million tons of LPG and LNG. Following a rise in demand for gas products as a 'green' energy source, we expect to report volume growth in this segment. The LNG terminal (5 million metric ton capacity with a use or pay contract with IOCL and GAIL) under construction at Dhamra is nearing completion and expected to be commissioned in November 2022, generating attractive revenues from the second half of the current financial year.

The acquisitions in FY22 implied an investment of around ₹11,400 crore for APSEZ. This was managed alongside an organic capex of around ₹3,750 crore, while ensuring that the net debt to EBITDA ratio remained unchanged at ~3.4x.

The Company is confident of growth in FY23, given India's expected GDP growth and boost to India's iron and steel industry following China's decision to cap its steel production and the absence of exports from Russia. The result is that APSEZ is attractively placed to ride this wave.

#### Outlook

At APSEZ, we are attractively placed to grow our business even faster from this point onwards. In the space of just three years, we expect to increase cargo volumes 60% to 500 million metric tons, grow our rakes count from 75 to 200 and emerge as the world's largest private ports company and the country's largest transport utility by 2030.

**Karan Adani**  
Chief Executive Officer



Part 2 

# HOW AND WHY THE COMPANY IS REINVENTING ITSELF

CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS



URG SÜD

In the 1967 film *The Graduate*, the young twenty-one-year-old whose character is played by Dustin Hoffman is at a cocktail party his parents have hosted following his graduation from college.

A friend takes him aside, saying he has one word of advice for him, just one word—and the word is ‘plastics.’

If it were India and today, the word would have been ‘logistics.’

Over the last couple of years, we had two options available to us.

To let our business run the way it always had. Or to reinvent our business.

We selected the second option.

The result is that we are no longer just a ports company.

We are a holistic transport utility company instead.

We are being  
actively asked:  
why are we reinventing  
our business?

Our answer:  
Because India is  
reinventing itself.



“APSEZ’s evolution as a transport utility, with an integrated mix of logistical capabilities, is in line with the PM Gati Shakti - National Master Plan and has far-reaching benefits. Providing end-to-end logistic solutions in a transparent and efficient manner creates a unique value proposition for customers and contributes to the Company’s distinctive positioning as a trusted brand. Most importantly, the presence of a comprehensive supply chain solution provider strengthens the country’s supply-chain structure, enhancing trade competitiveness.”

**Karan Adani**, CEO and Whole-time Director of APSEZ

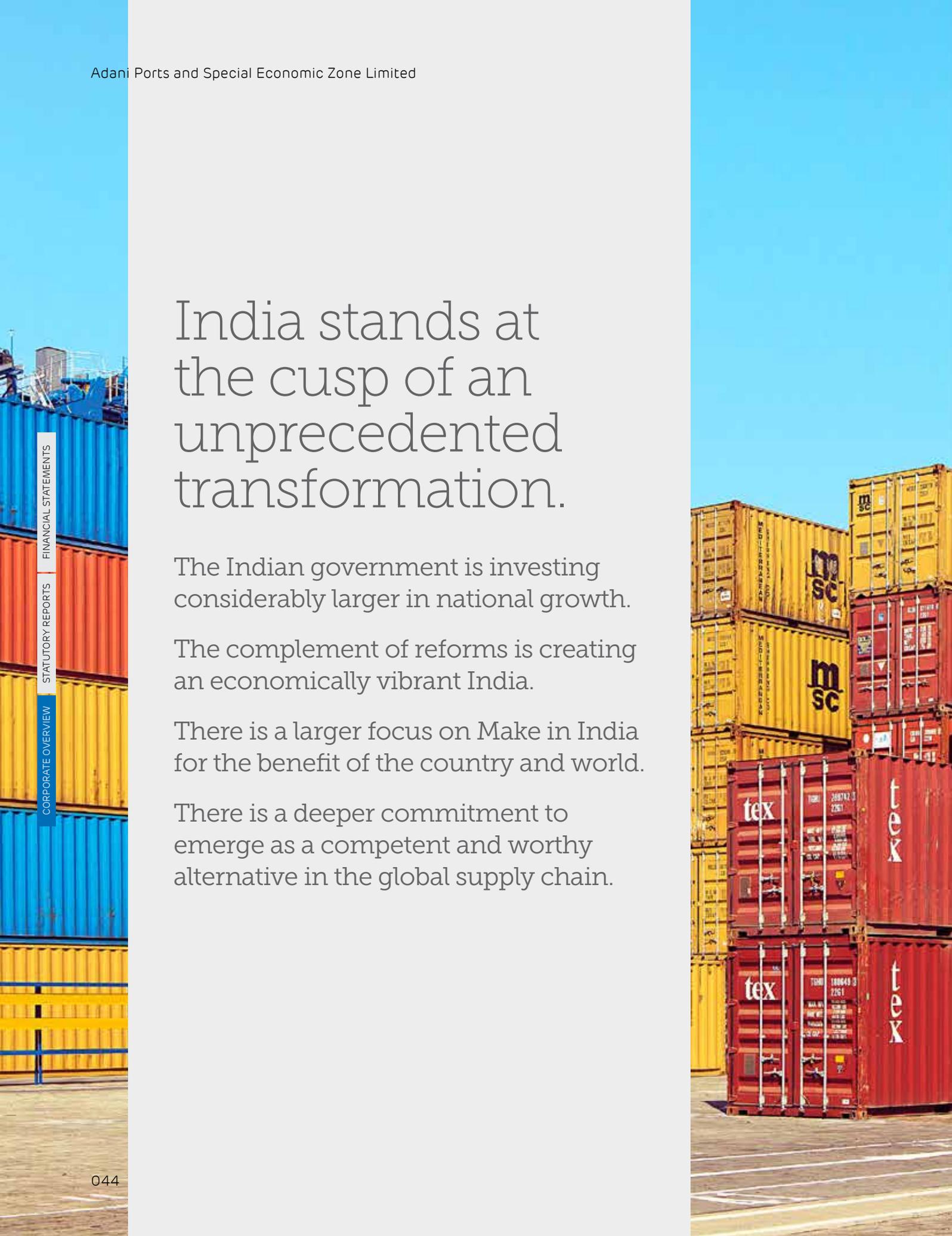
# India stands at the cusp of an unprecedented transformation.

The Indian government is investing considerably larger in national growth.

The complement of reforms is creating an economically vibrant India.

There is a larger focus on Make in India for the benefit of the country and world.

There is a deeper commitment to emerge as a competent and worthy alternative in the global supply chain.



# At APSEZ, we have reinvented with speed to facilitate India's reinvention.

We need to accelerate India's economic journey.

We need to enhance national competitiveness.

We need to moderate India's logistic cost.

We need to provide India with a strong exports platform.



The most effective manner we can drive the India growth story is not just through more efficient ports.

But through something more fundamental:  
enhancing India's logistical efficiency.



<p>Moving products quicker between Point A and Point B.</p>	<p>Helping users moderate their resource inventory.</p>	<p>Providing products just when users need them.</p>	<p>Utilising various transportation modes to deliver on schedule.</p>
	<p>Empowering customers to enhance working capital efficiency and margins.</p>	<p>Liberating manufacturers from the challenges of managing inventory and resource mobilisation.</p>	<p>Helping moderate India's logistics cost as a % of GDP.</p>
		<p>Strengthening India's international competitiveness and exports.</p>	<p>Providing the Make in India movement a distinctive edge.</p>

The rationale of our reinvented business model comes down to just three numbers.

The big picture

6-7

(%), Logistics cost as a percentage of developed countries' GDP

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13-14

(%), Logistics cost as a percentage of Indian GDP

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44<sup>th</sup>

(Rank), India's position in Global LPI Rankings, 2018 with a significant scope for improvement

# Why logistics represents the future is evident in the present.

You buy most of what you want from a trusted platform on the internet.

*The most trusted platforms account for a disproportionate share of the market*

You are not accustomed to 'Not in stock'.

*Welcome to the Age of Abundance (or an awareness of what lies where)*

You are accustomed to specified and timely delivery.

*You cannot remember the last time a product reached you after the due delivery date*

You never care to check from where the product is shipped.

*It is irrelevant; most feel 'What does it matter?'*

You never bother to check who will deliver from which store.

*As long you know the name of the overall fulfilment agency, the rest is irrelevant*

**Bottomline:** The only things that matter are price, platform and punctuality.

*This reality is transforming the world of logistics as we have known for decades*

# India's logistics sector represents one of the most attractive transformation opportunities anywhere in the world.

*The need for scale, scope, sophistication and sustainability all in one country at the same time*

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**# Reason 1:** It represents the coming together of various expanded or modernised infrastructure arms



**Roads:** India is engaged in the biggest road network expansion in its history



**Railways:** India is engaged in the biggest rail network expansion (Dedicated Freight Corridor) cum modernisation and rolling stock expansion in its existence. The Eastern Dedicated Freight Corridor (length 1873 Km) and Western Dedicated Freight Corridor (length 1504 Km) will catalyse economic development and rail share in the logistics sector.



**Airports:** India is engaged in the largest rollout of airport asset expansion and modernisation in its existence. India's airport capacity is expected to handle 1 billion trips annually by 2023

The Centre for Asia Pacific Aviation (CAPA) indicated that India is expected to see a 52% surge in domestic traffic and 60% in international air traffic in 2022.



**Ports:** India is engaged in the largest port infrastructure expansion in its existence. As per the Ministry of Ports, Shipping, and Waterways, the average vessel turnaround time had reduced from 96 hours in FY 2014-15 to 52.80 hours in FY 2021-22, while average container turnaround time at major ports reduced from 35.21 hours in FY 2014-15 to 27.22 hours in FY 2021-22. The key ports are expected to complete seven projects worth more than ₹2,000 crore on a public-private partnership basis in FY 2021-22.

**Bottomline:** Products are likely to be delivered faster and across longer distances; new markets are likely to emerge for products; 'just in time' delivery is likely to be heard more often; the elimination of logistic inefficiencies is likely to emerge as the next frontier





**# Reason 2:** We believe that APSEZ is more than just a logistics story; it is progressively a retail-driven 'Believe in India' story

Consistently higher per capita incomes  
*Higher availability of disposable incomes*

India world's second largest smartphone user  
*Increase in consumer empowerment*

Progressive digitalisation  
*A new world of speed, security and transparency*

Unfolding e-commerce-driven retail revolution  
*Increase in discretionary, impulsive and convenience buying*

Prospective introduction of 5G and universal broadband  
*Next generation of technology backbone – robust and universal*

Responsive tariff environment  
*Designed to balance affordability and national interests*

**Bottom-line:** When opinion makers say 'infrastructure expansion what we hear is 'logistics revolution'



Riding the India story ■

# India's logistics sector is at a watershed moment after 75 years of independence

## Reforms

The introduction of the Goods and Services Tax in the last few years has helped moderate the cost of logistics (including warehousing) through a uniform indirect tax rate and a lower need to stock products in different States. This represents an inflection moment in India's logistics journey.

## Plan B

'Plan B' is an increasingly used reference to describe the world's need to reduce its excessive dependence on China for resources and products

and broad base the global supply chain. The country that comes collectively closest in terms of scale, costs, legal framework, knowledge base and manufacturing tradition is India. The optimism on this count arises from the fact that even a nominal movement away of the world's procurement from China can drive India's share of exports and global trade, raising the water table for relevant logistics providers.

## Headroom

India's logistics cost as a percentage of GDP was

estimated at 500 bps higher than the prevailing average in most developed countries, an addressable opportunity. The country's share of the global merchandise exports was less than 2% (2019) and share of global imports less than 3% (2019) even as the country accounted for 18% of the global population - one of the largest consumption headroom opportunities anywhere.

## Relevant policies

The Indian government recognised the role of logistical efficiency through the

enunciation of the Maritime India Vision 2030. The policy addressed a granular understanding for stronger logistics, laying down goals, roadmaps and policy drivers. The policy covers more than 150 initiatives across the ports, shipping and waterway modes that could transform the country's logistical effectiveness.

### Make in India

During the last couple of years, India could well have reported the beginning of an extended turnaround. Atmanirbhar Bharat is expected to enhance self-reliance and provide for the country's growing needs from within. This is expected to strengthen India's position as a competitive global products and services provider.

### E-commerce growth

E-commerce sales will rise at a compound annual growth rate of just over 18% between 2021 and 2025 to reach USD120.1 billion, catalysed by an increase in smartphone penetration —from 42% today to 51% by 2025 — and digital literacy. More than two-thirds of India's online consumer demand comes from Tier 2 and lower cities in India (Source: GlobalData and Unicommerce). By 2025, e-commerce is expected to account for 12% of global consumer spend, with 59% of that being transacted via mobile devices.

### Digital money

There is a greater willingness to spend digitally for reasons of convenience. Credit cards accounted for 58.3% of all e-commerce transactions, while in India the figure was just 13.3% of e-commerce payments – a large available opportunity.

### BNPL trend

The BNPL (buy now pay later) segment among Gen-Z (born between 1997 to 2012) increased 232% in 2021 (source: Zest).

### Infrastructure growth

India intends to invest ₹7 lakh crore in strengthening its roads infrastructure over the next 2-3 years. Indian Railways announced a decision to buy 100,000 more wagons over three years. The DoT is targeting a combination of 100% broadband connectivity in villages, 55% fiberisation of mobile towers, average broadband speeds of 25 MBPS and 30 lakh Km of optic fibre rollouts by December 2022. (Source: IBEF, Invest India)

### Telecom revolution

India was third on the list of maximum time spent on mobile devices, with an average smartphone usage time of 4.6 hours a day, nearly a 40% year-on-year rise. The volume of smartphone users could rise substantially following 500 million 5G users by 2027, 39% of all mobile subscribers. Result: Indian smartphone users could grow from 810 million in 2021 to 1.2 billion by 2027, catalysed by the 5G roll out (Source: Ericsson).

### Smartphone affordability

It is estimated that 84% of all mobile phone imports were in the sub-₹15,000 range (29% even below ₹7,000), driven by e-learning (Source: IDC), widening affordability.

### Data tariff affordability

As of 2021, India has one of the lowest mobile data tariffs. The price of 1 GB data was USD0.1 in India compared to China's \$0.8, Brazil's \$1.6, UK's \$2.7, and the US's \$3.8, influencing e-commerce (Source: Financial Express).

### National Infrastructure Pipeline

National Infrastructure Pipeline (NIP) was launched with projected infrastructure investment of around 111 lakh crore (USD 1.5 Trillion) during 2020-2025 to provide world-class

infrastructure. The Budget outlay for the Ministry of Road Transport and Highways rose 68.5% to ₹1.99 lakh crore (from ₹1.18 lakh crore in FY 2021-22). The Ministry of Railways' Budget allocation for FY 2022-23 was set to rise by 27.5%, to ₹1.40 trillion in FY 2022-23 from ₹1.10 lakh crore in FY 2021-22. Maritime India Vision 2030 estimates the investment requirement for capacity augmentation and development of world-class infrastructure at Indian ports of ₹1,00,000-1,25,000 crore. (Source: Money Control, pib.gov.in, Livemint)

### National turnaround

India's tax collections reported a record ₹27.07 lakh crore in FY 2021-22 compared with the Budget estimate of ₹22.17 lakh crore; tax-to-GDP ratio jumped from 10.3% in FY 2020-21 to 11.7% in FY 2021-22, the highest since 1999. The value of goods exported from India witnessed 40% growth during FY 2021-22, touching a record USD 417.8 billion and surpassing the target set by the government by 5%. India's rank in Liner Shipping Connectivity Index improved from 28 to 24 in the last two years.

### Conclusion

At APSEZ, we are attractively positioned to capitalise on the India growth story by the virtue of being the country's largest transport utility with a presence across road, rail, ports, inland waterways, airports and multi-modal logistic parks. The Company's scope and scale have made it unique in India's logistics services sector, inspiring the optimism that as India continues to grow rapidly, the Company could grow faster.

# The transformative engines of PM Gati Shakti National Master Plan for FY 2022-23

*This policy is expected to take India's logistical effectiveness ahead*

**Road transport:** The national highways network will be expanded by 25,000 Km for ₹20,000 crore (USD 2.67 billion)

**Parks for multimodal logistics:** NHA (under the Bharatmala Project) intends to develop 35 multi-modal logistic parks to facilitate seamless freight flow. The request for proposal (RFP) for the implementation of four multimodal logistic parks will be given with a design, build, finance, operate and transfer (DBFOT) public-private partnership (PPP) approach in FY 2022-23.

**Railways:** The One Station One Product concept was developed to assist local businesses and supply chains. In FY 2022-23, 2000 Km of railway network will be brought under Kavach, a world-class indigenous technology to increase capacity. 400 new Vande Bharat trains will be constructed over the next three years. 100 PM Gati Shakti Cargo terminals for multimodal logistics will be created in three years.

**Parvatmala:** Parvatmala's National Ropeways Development Program will be implemented on a public-private partnership basis. Contracts for eight 60-Km ropeway projects will be awarded in FY 2022-23.

Source: IBEF

## 6 pillars of the PM Gati Shakti programme

**Comprehensiveness:** It will include all existing and planned initiatives of the various Ministries and Departments with one centralised portal. Each department will now possess a visibility of each other's activities, generating critical data leading to timely project conclusion

**Prioritisation:** Different departments will be able to prioritise projects through cross-sectoral interactions.

**Optimisation:** The National Master Plan will assist different ministries in planning for projects following the identification of critical gaps. For the transportation of goods from one place to another, the plan will help in selecting optimal routes (time and cost).

**Synchronisation:** Ministries and Departments often work in silos with minimal coordination, resulting in delays. PM Gati Shakti will help synchronise activities of each department, as well as of different layers of governance, in a holistic manner.

**Analytical:** The plan will provide all data in one place with GIS-based spatial planning and analytical tools comprising 200+ layers, enhancing visibility for the executing agency.

**Dynamic:** All Ministries and Departments will now be able to visualise, review and monitor the progress of cross-sectoral projects through the GIS platform. The satellite imagery will provide periodic on-ground progress and project progress will be periodically updated on the portal. This will help identify vital interventions needed for updating the master plan.

Source: IBEF

China + 1 factor

Headroom

Relevant policies

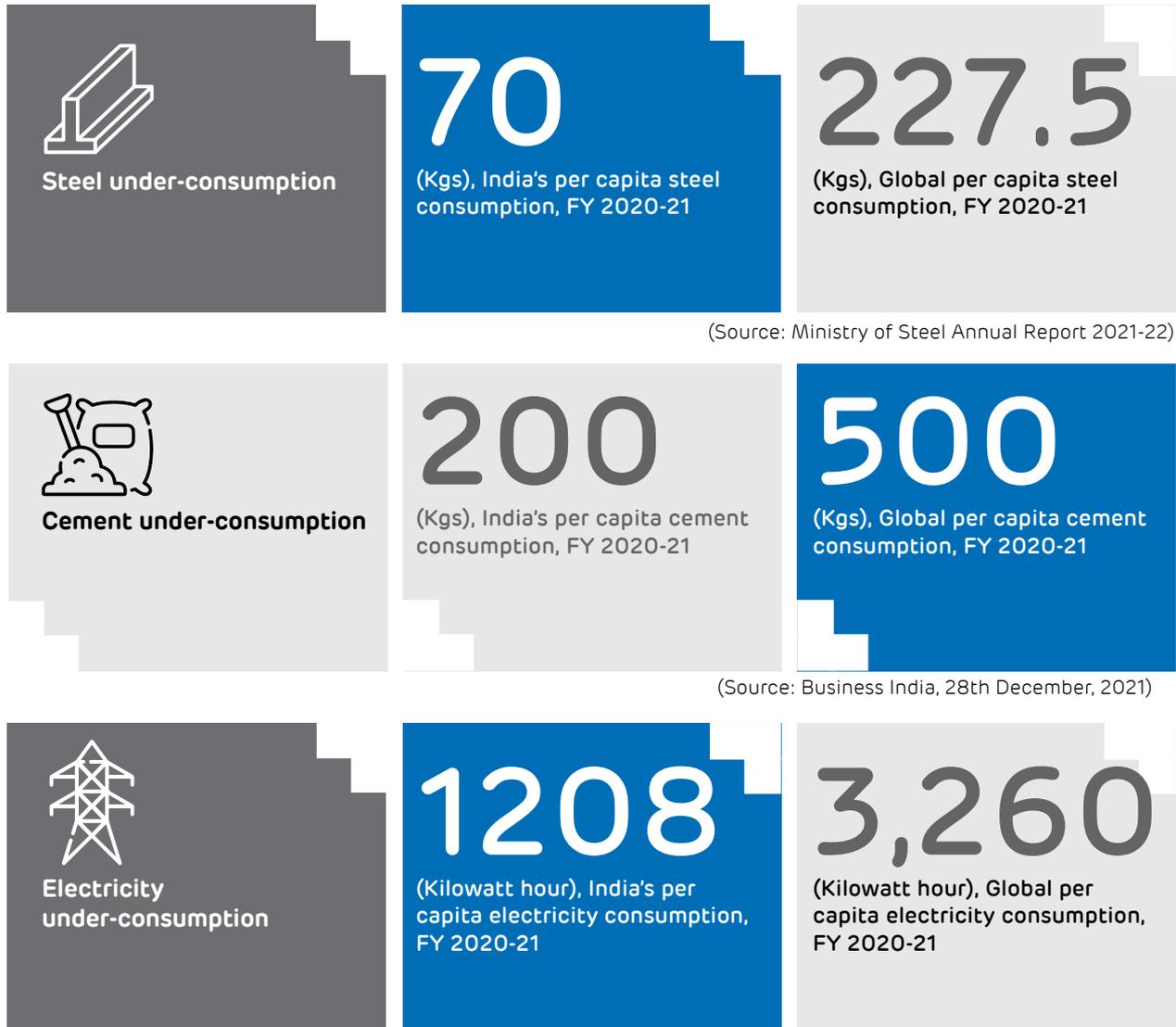
Make in India

e-Commerce growth

Infrastructure growth

National turnaround

# India's resource consumption, well below the global average, is waiting to correct upwards



(Source: Ministry of Steel Annual Report 2021-22)

(Source: Business India, 28th December, 2021)

(Source: Moneycontrol, March, 2021)

# At Adani Group, a keen understanding of logistics and managed mobility has always resided at the heart of our businesses.

*We now possess more than two decades of rich related experience*



**Our ports business:** The ability to transfer cargo into the mainland or into vessels with speed, security and seamlessness matching global standards



**Our power transmission infrastructure business:** The ability to transfer electrons from one point to another through one of the highest systemic uptimes and one of the lowest transmission losses within the sector



**Our power distribution business:** The ability to distribute power around a service mindset to wherever consumers may need within our licensed footprint



**Our power generation business:** The ability to generate and evacuate power to transmission networks



**Our city gas distribution business:** The ability to transfer gas through piped and compressed gas networks across the geographic areas allotted to us



**Our airports business:** The ability to move passengers inward and outward through established infrastructure by enhancing their time utility, convenience and overall experience

# At APSEZ, we have grown across more than two decades for just one reason: superior logistics management

*Our infrastructure comprises a string of ports, SEZs, rail tracks, rolling stock, logistic parks and warehouses*

## Institutionalised structure

APSEZ incorporated Adani Logistics Limited (ALL) to create a centre of logistical excellence, enhancing specialisation and excellence

## End-to-end service

ALL provides customised end-to-end solutions comprising a short distance rail solution for ceramic clusters in Morbi-Maliya to Mundra - coordination with Indian Railways, ceramic manufacturers, shipping lines and rail operators.

## Transport utility solutions

APSEZ is equipped to handle a variety of cargo, resulting in first mile operations, warehousing and sustainable rail transportation to ports, emerging as a 'transport utility'.

## Ports

APSEZ comprises a string of 12 ports (Vizhinjam Port under construction) along the west and east coasts of India. The west coast comprises 62% of the country's aggregate port capacity; the east coast 38%. APSEZ is also developing a container terminal in Colombo, Sri Lanka.

## Railway rolling stock

Adani Logistics now operates 75 rakes as against 61 rakes in FY 2020-21; we will continue to add rail assets as we expand our network and scale existing

and adding new circuits. ALL offers complete rail solutions for Container, Liquid, Grain, Bulk and Auto cargo. Adani Logistics is India's largest private container train operator with 42 rakes offering customised solutions for end-to-end integrated logistics solutions.

## Rail tracks

APSEZ has about 690 Km of rail line under its portfolio through various Indian railway PPP models. APSEZ has plans to expand it to 2000 Km by 2025, all of which will be electrified. These railway lines will address the gap of the first mile and last mile connectivity. This will further help in reducing carbon emissions

## Warehouse

ALL has 0.87 million square feet in warehousing space and intends to expand to a cumulative warehousing space of 60+ million square feet by FY 2025-26 – a 150x proposed expansion.

## Logistic parks

ALL has six operational logistics parks following the commencement of operations at Kilaraipur and commissioning of a newly constructed container terminal at Nagpur. Construction is in full swing in three other locations (Virochannagar, Panipat and Taloja). The Company seeks to organically expand its ICD network to more than 15 by FY 2025-26.

## Air freight stations

Facilities being developed include air freight stations (domestic, international & express), cargo complexes and trans-shipment hubs

## Grain silos

ALL comprises India's first integrated bulk handling, storage and transportation (distribution) for food grain, directed to enhance food security. Adani Agri Logistics pioneered end-to end bulk supply chain solutions for Food Corporation of India and State governments. Fifteen storage infrastructure facilities were in operation and three new facilities (Panipat, Kannauj and Dhamora) were commissioned. The business connected major food grain producing states (Punjab, Haryana and Madhya Pradesh) with consumption centres in Karnataka, Tamil Nadu, Maharashtra, West Bengal and Gujarat through a pan-India network of procurement and distribution silos. Adani Agri Logistics operate across 15 sites in India.

## Trucking

The Company handled container movement and bulk cargo at its various logistics parks. The Company also plans to provide trucking solutions to areas near its strategically-placed logistics parks. ALL is set to become an end-to-end logistics solutions provider, offering trucking as a transport utility.

# Our positioning as a 'transport utility' is expected to enhance shareholder value

*Benefits of economies, integration and multi-year engagement*



**Service-driven**

We will leverage our investment in assets to deepen our recall as a service-driven company that delivers on-time, in-full and wherever

**Competitive pricing**

We will leverage our economic of scale and integration to competitively price our services, positioning ourselves as a cost leader offering the best price-value proposition

**Product portfolio**

We will widen our portfolio to deliver products needed in the largest volumes with the most frequency and across multi-modal interventions

**Pan-India presence**

We will service customer needs across India, strengthening the recall that 'If we have a need, Adani will fulfil'

**Sourcing ability**

We will leverage our global and Indian networks to source products needed by our customers – critically and frequently

**Multi-modal value chain**

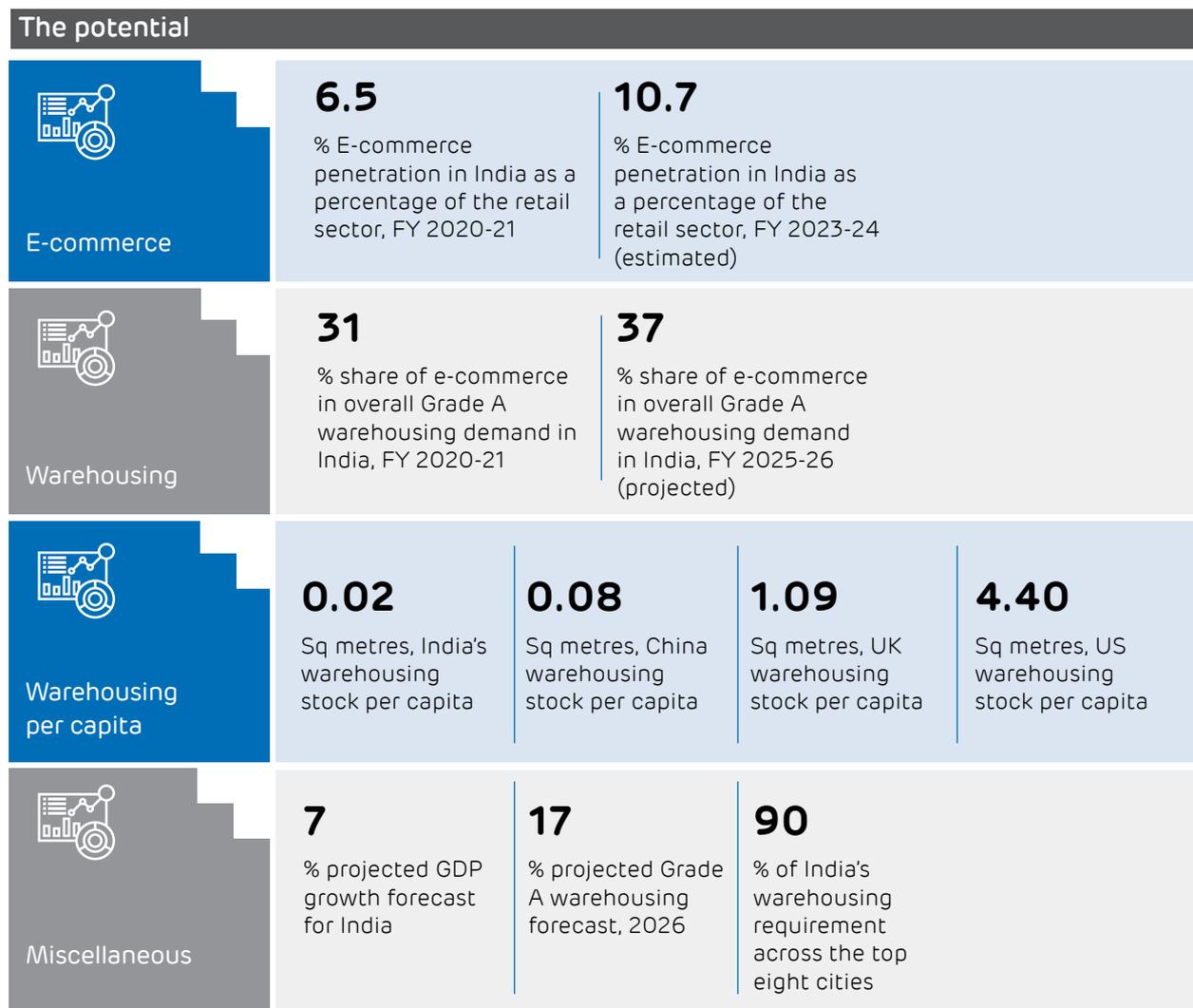
We will leverage access to a proprietary multi-modal network (ports, rail lines, rolling stock and last mile delivery) to deliver with speed and seamlessness, capturing margins

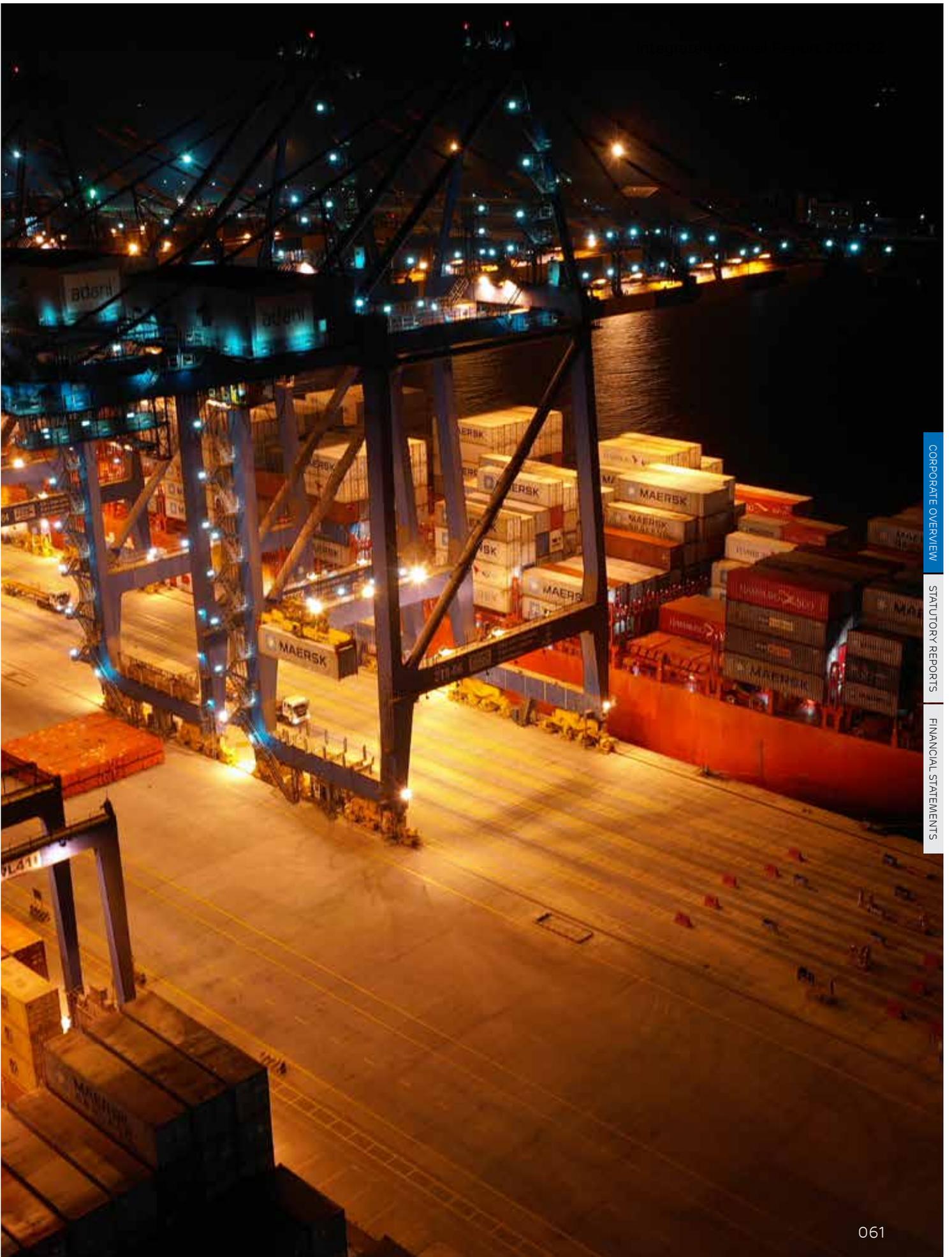
**Annuity revenues**

We will seek to deliver a superior service that makes us a preferred transport utility vendor; we believe that this will translate into annuity engagement and revenues from the same customers, enhancing revenue visibility

**Vast headroom**

We believe that much of the value will be delivered through the progressive correction of the extensive under-penetration in India – of consumption, e-commerce penetration and warehouse capacity





National infrastructure catalyst

# APSEZ: We have been living forward-looking logistical principles for a quarter of a century

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## Overview

At APSEZ, our extension from port intervention to logistical operations has been seamless. We have been enhancing the logistical effectiveness of our customers for nearly a quarter of a century. While the principles of our logistical intervention remain the same, the mode of intervention has evolved and will continue to evolve in line with the widening needs of our customers.

## Riding the policy crest

APSEZ's planning has been aligned with the national direction. We have generally invested ahead of the curve, empowering the Company to capitalise effectively on the

national policy whenever it has been announced.

## Superior service

At APSEZ, our port operation has been woven around bringing the customer into a serious conversation possibly for the first time in India's ports sector. This helped adapt services around the customer's needs - not the other way around. The logistics business is a deeper manifestation of this commitment to build our business around that of the customer – one customer at a time.

## Benchmark

At APSEZ, we invested ahead of the curve to address a long standing challenge of under-

performance across Indian ports compared with the global average. Over the years, our ports have showcased the highest efficiency standards that are comparable with the best global indices. These standards now provide the basis for extending this standard across adjacent modes, helping build a futuristic logistics company.

## Paradigm shift

At APSEZ, we had resolved to build a modern 'port of choice' over the legacy 'port of convenience' model followed by most ports in India. We established this preference through progressive cost moderation and enhanced customer value. We will continue



to build on this proposition by bringing all infrastructure arms together (not just port services), strengthening our capability to enhance value.

#### Customer value

At APSEZ, we established sectorial respect through a lower berthing time that enhanced the shipping liner's asset utilisation and empowered us to provide cargo quicker to customers. We intend to build on this time-tested approach in a larger way by integrating our diverse infrastructure arms (road, rail, ports, parks, inland waterways and airports) and evacuating commodities or products faster

than the prevailing standards.

#### Counter-inflation

At APSEZ, we have helped moderate a year-on-year increase in port tariff that was fairly standard, to a point where the increase under-performs inflation. We expect to extend this advantage to our logistics business, where the customer is protected from periodic price shocks.

#### Proactive investor

At APSEZ, we have generally followed an 'invest today, business will follow' approach. This conviction that supply will create demand is based on a deep

understanding and conviction in the India story, a concept virtually unheard of in the country.

#### Acquisition

At APSEZ, we have demonstrated the ability to acquire assets (loss making ports) that were turned around with speed. We believe that the logistics sector provides even larger inorganic responsibilities – of identification, negotiation, acquisition and rehabilitation – that only enhances our financial efficiency and gets us into revenues faster.

RTG crane productivity (moves / hour)

Quay crane productivity (moves / hour)

Average truck turnaround time

Average container dwell time

Our  
infrastructure  
management  
standards

~55

Hours across most  
Indian ports today

<40

Hours across global  
ports today

28

Hours across APSEZ  
ports today

**~6**

Hours within India's road logistics sector today

**<3**

Hours within the global road logistics sector today

**4**

Hours across APSEZ's road logistics business today

**20-27**

At Port Trust-operated terminals in India today

**29-31**

At PPP terminals in India today

**35-50**

At global terminals

**28**

At APSEZ terminals today

**10-12**

At Port Trust-operated terminals in India today

**12-14**

At PPP terminals in India today

**18-20**

At global terminals

**9**

At APSEZ terminals today



This is what we have achieved following a growing presence in only one segment of a large logistics space - ports

*The time has come to play across a larger modal spread*



### Sectorial leadership

APSEZ carved away more than a quarter of the port cargo market share in the world's fifth largest economy in less than a quarter of a century - with no previous sectorial experience- through a mix of innovation-led service. Despite being pitted against multi-decade competitors, the Company services around 70% of the country's hinterland.

### Revenue visibility

APSEZ established a visible customer value proposition that translated into an engagement loyalty. The Company generated more than 50 % port throughput from customers of five years or more.

### Speed and profitability

APSEZ established its position among the five fastest growing port companies in the world. The Company emerged as a benchmark that extended beyond the national. The Company achieved possibly the highest EBITDA margin and growth-adjusted RoCE among peer port operators in the world.

### Margins

APSEZ countered the prevailing notion that infrastructure is a long-term business marked by moderate returns. The Company increased EBITDA margin from 54% in FY 2006-07 to 62% in FY 2021-22; EBITDA margin increased in 16 years out of 23 years of existence.

### Liquidity

APSEZ protects its cash liquidity even as it continues to grow (organic and inorganic means) by maintaining its Net debt/EBITDA within the target range of 3.0x and 3.5x.

### Productivity

APSEZ is a technology-driven global showcase of talent productivity; people cost as a proportion of revenues was 1000+ bps lower than in developed countries.

### Credit rating

APSEZ is the only Indian port infrastructure company to be accorded the Investment Grade rating (capped at the sovereign rating) by the leading three international rating agencies.

### Replacement costs

APSEZ comprises infrastructure with a high replacement cost, an effective moat in a business where it takes months to commission assets.

### Growth-driven

APSEZ evolved from a single-location port service provider to a pan-India presence across 12 Indian locations (west, south and east coasts of India) and one international location as on 31st March 2022. The Company added nearly a fourth of all of India's incremental port capacity since 2010.

### Multi-modal footprint

APSEZ rewrote the industry rule by extending from a model where a port owner provided the land area but outsourced related services; the Company owns and offers all services, resulting in the widest value chain (ports, terminals, logistic parks/ICD, rakes, inland waterways, warehousing, agro-logistics, air freight stations and other logistic service assets) – an unmatched proposition in India.

### Necklace

APSEZ comprised 11 operating ports/terminals across India and 3 port locations created from scratch (Mundra, Hazira and Dahej). It developed new terminals at major ports (Goa, Tuna and Ennore); it acquired four strategic ports on the East coast of India (Dhamra, Kattupalli, Krishnapatnam and Gangavaram) and Dighi on the west coast.

Growth platform 

# APSEZ: A scalable platform to address emerging opportunities

## The goal

To emerge as India's largest transport utility and the world's largest port company by 2030

## The approach

At APSEZ, we have invested ahead of the curve to remain opportunity -ready. The breadth of our platform is expected to ensure

that we progressively accelerate our recall from asset owners to service providers, touching a larger sweep of India and more Indians.

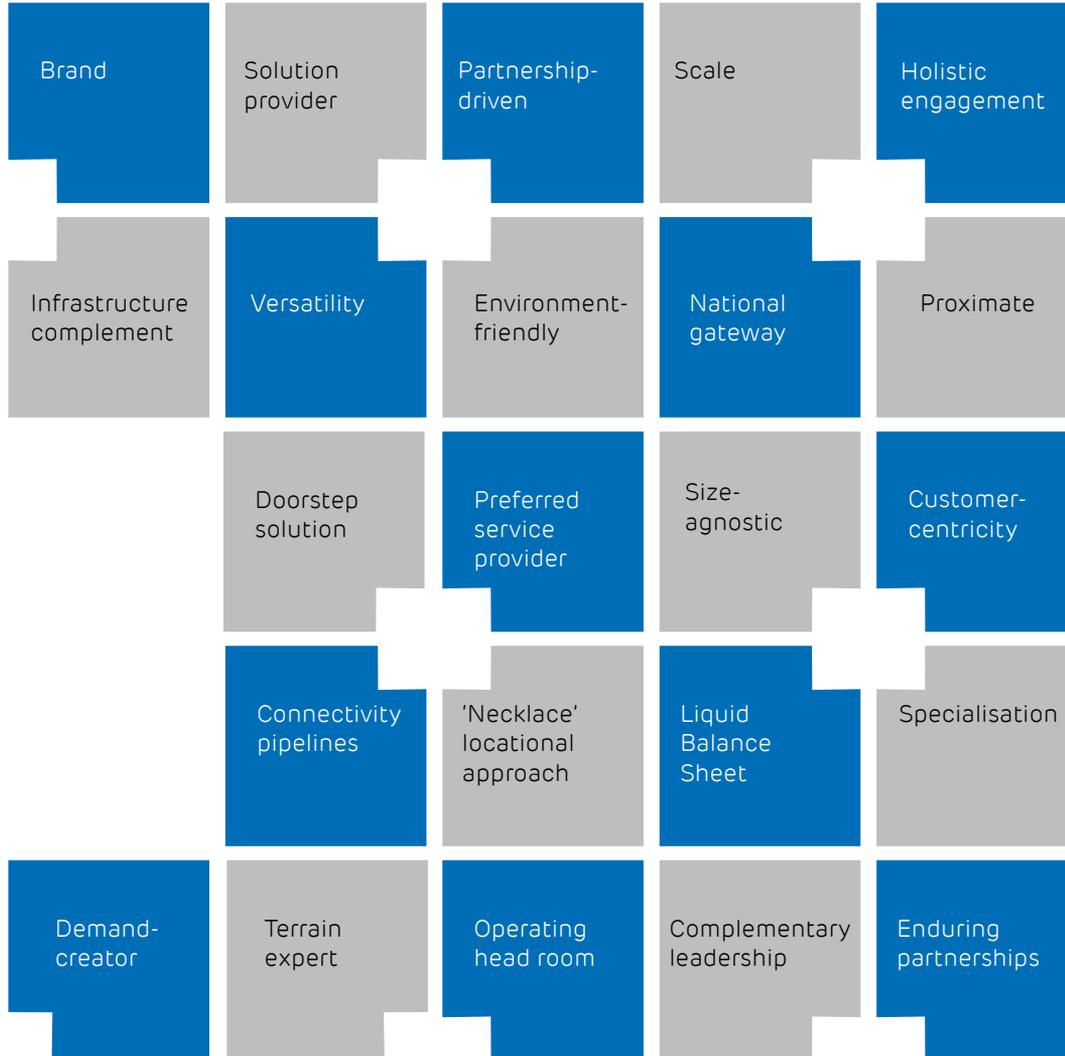
We are competently placed to do so. For more than two decades, the Company invested proactively in assets and locations to provide a global service benchmark that

enhanced customer convenience and moderated engagement cost. During the transition to a holistic solutions provider, the Company's engagement will continue to remain customer-aligned: deliver products faster and better with superior business (not just transaction) outcomes.



# Our transport utility platform

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# Our platforms explained

## Brand

APSEZ is building its logistics business around its longstanding ports brand of holistic cargo integrity - cargo security against damage and pilferage coupled with cargo timeliness

## Holistic engagement

APSEZ will provide a complete service – inward resource delivery and outbound products dispatch - resulting in a complete peace of mind for customers, empowering them to focus on new products development, manufacture and terms of trade.

## Environment-friendly

APSEZ has drawn plans to emerge carbon-neutral by 2025, reconciling growth with a lower carbon footprint

## Doorstep solution

APSEZ has evolved from a strictly port-fixed service to a delivered service at the customer's doorstep, empowering customers to remunerate for convenience and a peace of mind

## Solution provider

APSEZ is emerging as a logistics business solutions provider to customers across India, assuring them of timely resource delivery on the one hand and delivering manufactured products to customers on the other.

## Infrastructure complement

APSEZ is addressing the logistics business through a complement of ports, railway lines, railway rolling stock, roads, pipelines, SEZ, multi-modal logistics parks and airports, enhancing transportation seamlessness.

## National gateway

APSEZ is widening its locational presence across 12 ports and 6 multi-modal logistic parks, a unique complement. Our presence across the East and West coasts, coupled with hinterland connectivity to our MMLPs, represent a truly national gateway for cargo handling and transportation.

## Preferred service provider

APSEZ is now positioned as a logistics partner of choice and not compulsion, its practices marked by an ease of doing business, cargo integrity, transparency and speed

## Partnership-driven

APSEZ will graduate from a vendor to a partner by the virtue of providing a business-critical service – the logistics management of resources and products coupled with a multi-year engagement that is margins-enhancing and volume-expanding for customers.

## Versatility

APSEZ developed a terminals complement in its ports (bulk, container, coal and single-point mooring facilities); this empowered it to handle dry and liquid bulk, container, crude oil and other cargo

## Proximate

APSEZ is positioned as a 'necklace' (as far as ports are concerned) and 'veins' (as far as internal logistics networks are concerned) where the Company will never be far from a customer who needs it, enhancing access and availability

## Size-agnostic

APSEZ invested in logistics infrastructure for the future needs of a growing nation - port infrastructure designed to accommodate the largest vessels and evolving vessel design and multi-modal logistics parks with provisions for technologies and additional space)



### Customer-centricity

APSEZ designed its service to take the customer ahead – quicker product delivery at a lower cost, strengthening the customer's business

### Balance Sheet Liquidity

APSEZ carries Balance Sheet liquidity without excessive leverage to meet its capacity expansion plans. Company's net debt:equity was a comfortable 0.85 times at the close of FY 2021-22.

### Terrain expert

APSEZ positioned the Company as an India terrain expert, handholding global companies (seeking to diversify their global footprint risk) keen to enter India

### Enduring partnerships

Nearly 49% of the cargo handled at APSEZ ports in FY 2021-22 was from multi-year customers, a sizable base on which to grow the logistics business by addressing a larger customer wallet share

### Connectivity pipelines

APSEZ invested in the direct ownership of select infrastructure and services (generally outsourced by the sector) designed to enhance service and deliver cross-country cargo with speed and security – a ground-up approach to building the logistics business

### Specialisation

APSEZ created port infrastructure around commodity cargo specialisation as opposed to being a generalist, enhancing productivity and a lower logistics cost for customers

### Operating head room

APSEZ established an early mover advantage in multi-modal logistics parks, coastal shipping and inland waterway segments that are at a nascent point in the country's logistics throughput

### 'Necklace' approach

APSEZ invested in 12 ports (complete ownership or berth ownership / lease) across India's long coastline, providing customers a varied choice in inward product delivery or outward dispatch through the closest gateway

### Demand-creator

APSEZ is playing the role of a logistic demand-creator in the country by providing cost-efficient, reliable logistic services. Port-based SEZ and industrial units at APSEZ ports generate a demand for additional logistics services. APSEZ created a 12,000+ hectare port-based land bank and plug-and-play infrastructure for prospective industrialisation, helping companies save years in their go-to-market approach

### Complementary leadership

APSEZ established leadership in the complementary logistics business (special wagons, rail network, warehousing, containers and liquids storage)

Explanation

# APSEZ: Transitioning into a transport utility by building on a strong Balance Sheet

*The coming together of profitability, liquidity and sustainability*

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## Overview

At APSEZ, we are attractively positioned to transform into a transport utility.

Our cash flows are robust, capital expenditure of the last few years is expected to translate into higher revenues and there is adequate cash/liquidity within the system to address interest outflow, repayment, capital expenditure and fund expansion plans.

In doing so, APSEZ has demonstrated its capacity to build assets from scratch to global scale, along with disciplined capital management and an optimised capital structure. The result is that despite funding port acquisitions and capital expenditure, the Company continues to be attractively placed in terms of liquidity.

## Elements

The elements of the Company's financial prudence are reflected below.

**Capital management plan:** APSEZ intends to maintain Net debt/ EBITDA within the target range of 3.0x and 3.5x. This will empower the Company to pursue growth, mobilise debt and protect the Balance Sheet strength. In the last few years, APSEZ addressed its growth capital needs without stretching its Balance Sheet, reflected in an improvement in its Net Debt to EBITDA ratio of 4.4x (FY 2015-16), 3.3x (FY 2020-21) and 3.4x (FY 2021-22).

## Elongated average debt maturity:

To match long-term revenues, APSEZ gradually extended average debt maturities. In July 2021, APSEZ mobilised USD 450 million by issuing bonds of 20-year maturity (the first Indian infrastructure company to raise 20 year international funds). APSEZ's average debt maturity increased from 5.2 years in FY 2019-20 to ~6.6 years in FY 2021-22.

## Investment Grade Credit Rating, Internationally:

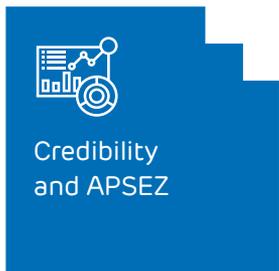
APSEZ is the only Indian port infrastructure company to be accorded an Investment Grade rating by leading international rating agencies, placing its credit profile

equivalent to the sovereign rating of Government of India.

## Disciplined capital allocation:

APSEZ has a policy to undertake projects (greenfield or brownfield) that generate a minimum 16% pre-tax IRR (portfolio level).

**Foreign exchange cover:** APSEZ's revenues are largely derived from port operations that include US dollar-linked revenues, which provides a natural hedge against borrowings in US dollars, offering APSEZ access to a global pool of capital, wide investor spectrum as well as access to lower debt cost (without currency fluctuation risks) from global sources.



In July 2021, APSEZ's Bond issuance (USD 750 million) was launched

It evoked strong investor interest across US, Asia, Europe and Middle East

The 3x over-subscription was by multinational banks, insurance companies, pension funds and asset managers

This validated their confidence in APSEZ's growth story and business strength

Positioning 

# We reinvented the way ports are managed in India. We possess the credentials to do the same for India's logistics sector

### Beyond the landlord model

Most port companies across the world are moving towards the promoter-landowner model, where the services are managed by a number of dedicated service providers

*APSEZ focused on the integration of land ownership and service delivery (piloting + loading dispatch trucks + dredging + equipment operations), widening our margins across every stage*

### Single-window solution

Most port companies provide a diverse window of services for the customer to negotiate

*APSEZ provides a single-window service to minimise transaction inconvenience and strengthen customer retention*

### No hidden charges

Most port experiences are marked by hidden charges, presenting probable shocks to the customer

*APSEZ provides a visible rate chart that empowers customers to compute their own costs*

### Guaranteed turnaround time

Most port companies indicate a reasonable vessel turnaround time

*APSEZ guarantees service quality (turnaround time, productivity, handling losses and evacuation) and a compensation in the event of non-compliance; our motto is 'Berth should wait for the ships, not the other way around'*

### Service-driven mindset

Most port companies are driven by a hardware ownership approach

*APSEZ is marked by a holistic service mindset that has extended from port operations to logistics and SEZ ownership - a peace of mind proposition for customers*

**Complement of ports**

Most port companies comprise standalone ports

*At APSEZ, our 'necklace complement' comprises ports around the Indian coastal rim, widening multi-port solutions*

**Prepared for success**

Most port companies possess core operational capabilities

*At APSEZ, we possess a competence in building infrastructure, commissioning them ahead of schedule and doing so at a cost below the existing greenfield benchmark, influencing overall Balance Sheet hygiene*

**Plug-and-play advantage**

Most port companies present cargo management capabilities

*At APSEZ, we provide manufacturing companies with a plug-and-play infrastructure without land or infrastructure issues, empowering them to grow their business*

**ESG personality**

Most Indian port companies focus on servicing shareholder needs

*APSEZ was the first Indian port to assess carbon footprint with a blueprint for progressive footprint reduction. It was the first Indian port company to commit to carbon neutrality*

**Technology as an enabler**

In most Indian port companies, technology adoption is at a nascent stage

*APSEZ invested in artificial intelligence, machine learning and automation. It implemented the world's first large Terminal Operating System (TOS) implementation (managed remotely). It leveraged diverse technology platforms to enhance service visibility and transparency*

**Our logistics arms**

**APSEZ:** Largest port operator in India with 12 multi-purpose ports/ terminals (including under construction Vizhinjam port), handling containers, dry, liquid & gas cargo across the coastline.

**Adani Logistics (APSEZ subsidiary):** The most diversified and largest private rail operator in India with 6 multi-modal logistics parks across North, West and South India. Engaged in developing 9+ MMLPs across India and 60 million sq ft of warehousing space by FY 2025-26. Provides first and last mile connectivity through vehicles (owned and leased).

Assets	Trains	MMLPs	Grain silos	Warehousing	Rail tracks
<b>FY 2015-16</b>	<b>24 trains</b>	<b>4 MMLPs</b>	--	<b>0.4 million Sq. ft</b>	<b>510 Km</b>
<b>FY 2021-22</b>	<b>75 trains</b>	<b>6 MMLPs</b>	<b>0.87 MMT</b>	<b>0.8 million Sq. ft</b>	<b>690 Km</b>
	<b>3x</b>	<b>3x</b>	<b>3x</b>	<b>75x</b>	<b>3x</b>
<b>FY 2024-25</b>	<b>200+Trains</b> (Largest singular private players)	<b>15 MMLPs</b> (Covering all key markets)	<b>2.5+ MMT</b> (Market leader with 40% capacity)	<b>60 million Sqft.</b> (15% of market capacity)	<b>2000+ Km</b> (Largest private rail network)



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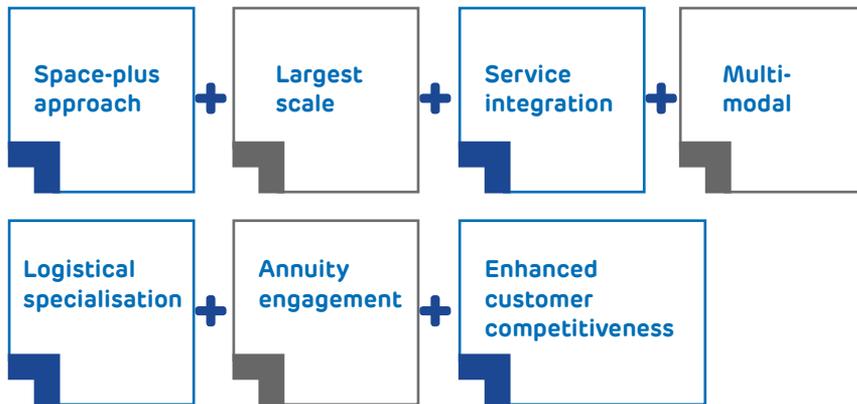
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DFC

PACIFIC EXPLORER  
PANAMA

# The seriousness of our intent as a transport utility is reflected in our building India's largest logistics complex.

## The big picture



### Overview

India's success as an effective China alternative among global industrial buyers needs enhanced logistical efficiency. Besides, the logistical benefits arising out of GST reform needs to be taken ahead through a futuristic infrastructure. The desired infrastructure needs to be of a scale and scope available to a specialist for maximum effectiveness.

### Uniqueness

Adani Logistics is developing a large logistics park in Kalyan (Maharashtra) as a warehousing and logistics hub addressing Mumbai demand. Adani Logistics' strategic partnership with an e-commerce major will help develop 'built to suit' warehousing. Adani Logistics aspires to grow to 60 million sq ft warehousing capacity by FY 2025-26.

In FY 2021-22, APSEZ commenced building a 'hinterland port' comprising 1450 acres. This multi-modal logistics park in Sanand, 40 Km from Ahmedabad, will be India's largest logistics and

industrial park and expected to be commercialised in FY 2022-23 (phase 1).

This unique hinterland port represents First World infrastructure in a rapidly developing nation. It will provide just-in-time and just-in-place services. It will provide a multi-modal solution - a complement of rail, road, port and air linkages-from any point in the world to any point in the world. It will empower customers to focus on their competence (marketing, manufacture or product development), deepen the Company's respect as an end-to-end specialist and leverage Adani Group capabilities

(port and rail operations, coal logistics). This logistics park will see phased development and generate significant employment opportunities.

**Advantages**

The logistics complex will be the largest in India by far when completed.

It could translate into multi-year engagements with customers, strengthening annuity revenues.

It is expected to generate fixed rentals arising out of space leased to customers and other logistics revenues arising out of value-added end-to-end services.

It provides tenants with quick, safe and competitive delivery (inward and outward; from doorstep to doorstep), building on the Group's experience as India's largest operator of ports, rail services (private sector) and inland terminals.

It possesses experience in handling diverse products like liquids, bulk, automotive, break bulk, grain and cement, among other products.

It will be serviced by connectivity to road, rail, air strip (within the complex) and the Kandla and Mundra ports (350 Km).

Its large facility will provide tenants with ample space to address their evolving manufacturing and warehousing requirements without needing to shift.

Its services will comprise port/ rail handling, customs clearance, warehousing, material movement (warehouse-factory-warehouse-customer), replacing multiple vendors with one long-term partner.

It intends to deliver a cost-effective solution over the standalone costs of individual service providers.

**Outlook**

The proposed logistics complex represents a showpiece of India's superior logistics management, the first of such facilities across India; a string of similar facilities will provide pan-India companies with a one-stop national logistics solution.

The future is here.

**Sanand project snapshot**

India's biggest multi-model logistics park

This park will be connected to the Dedicated Freight Corridor and all major ports

This will be a first-of-its-kind multi-modal logistics park facility in India

This 1450 acres logistics and industrial park will provide multi modal connectivity.

The ₹50,000 crore investment is expected to be incurred across 10-15 years

**Our proposed facilities**

<p><b>Air cargo hub</b></p>	<p>Customised / build-to-suit warehouses</p>	<p><b>Handling zone for diverse cargo</b></p> <p>Auto storage yard Steel storage yards Petroleum Oil and Lubricants (POL) tank farms</p>	<p><b>Rail freight terminal</b></p> <p>Container and bulk cargo storage and handling infrastructure Other enabling infrastructure like business centers</p>
<p>Grade A warehouses</p>	<p>Textile warehouses</p>		

# Adani Logistics converted 18,000 truck movements to rail, with 80% GHG emission savings.

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# How APSEZ has demonstrated its transport utility credentials

*Resulting in lower costs and enhance convenience for customers*

## **Express freight train project**

Adani Logistics ran export freight trains from Patli to Mundra port.

Adani Logistics emerged as one of the fastest container train operators in India.

Adani Logistics delivered in an average transit time of 27.2 hours (defined timeline around 48 hours).

Adani Logistics emerged as a frontrunner in India's plan to enhance super-fast freight train services.

## **Morbi Malya**

Adani Logistics pioneered the conversion of freight traffic from road to rail over short distances where road movements were conventionally preferred.

The Company did so the Morbi-Mundra route (ceramic tiles hub of India) and Reliance Jamnagar-Mundra.

This enhanced cost efficiencies and moderated carbon footprint.

Adani Logistics converted

18,000 truck movements to rail, with 80% GHG emission savings.

Adani Logistics broke the myth that road-to-rail conversion is not economically feasible for short haul routes of less than 200 Km. This instance will help replicate road-to-rail solutions for industrial clusters across the country, ensuring sustainable, reliable and efficient supply chains.

## Perspective

# At APSEZ, we believe we are the bottom end of a multi-decade growth story

### Overview

It would be predictable to perceive a conventional sector like ports to be a mature and slow growing sector in India.

#### We disagree.

We see the Indian ports sector at the bottom-end of a long J curve with prospects of rapid growth ahead for some good reasons.

**One**, as per studies conducted under the Sagarmala Programme, cargo traffic at ports is expected to be ~2,500 MMTPA by 2025, while the current cargo handling capacity of ports is 2,700 MMTPA and a roadmap has been prepared for increasing the Indian port capacity to 3,300+ MMTPA by 2025.

**Two**, the Indian Government needs to complete 218 on-going projects worth ₹2.1 trillion, of which 31 are under PPP framework (to be executed at an estimated cost of ₹50,000 crores) to ensure that by 2024, more than half Sagarmala projects in number

and in value would be completed.

**Three**, private sector investments in ports have steadily increased over five years, touching an all-time high of USD 2.35 billion by 2020.

**Four**, when India grows into a USD 5 trillion economy by the later part of this decade, cargo throughput is likely to double from FY 2021-22 levels.

**Five**, Indian cargo throughput in FY 2021-22 was 1319 mmt, about one-tenth of the cargo throughput at China's ports. India handled 19.86 million TEUs, about 7.0% of the container throughput across all Chinese ports in 2021.

**Six**, when India achieves its target of a USD 5 trillion economy, the following targets would be in advanced stages of being achieved: USD 1 trillion of merchandise exports by 2028, USD 700 million of services exports by 2028, 500GW of renewable capacity and 50% renewable energy mix by

2030 as well as an increase in manufacturing sector share of India's GDP from 17% to 20%.

**Seven**, the Indian economy occupies a commercially enviable location on the global map, straddling Bay of Bengal, Indian Ocean and Arabian Sea. India's coastal front and hinterlands comprise vibrant Indo-Pacific economies.

**Eight**, almost 30% of the nation's export and import cargo is transhipped via foreign hubs, a reality that could soon change as India's ports become larger and can accept larger vessels.

**Nine**, China accounts for 16 ports in the global top 50; India accounts for only two ports-Mundra & JNPT.

**Ten**, India accounts for nearly 18% of the global population but its share in global exports for merchandise was a mere 1.71% and in global imports only 2.53%, a large headroom waiting to be corrected.

Analysis 

# A turnaround in the health of India's ports sector is happening in front of us today

## Overview

In FY 2021-22, India's merchandise exports crossed USD 400 billion and reached USD 422.2 billion, a growth of 45.1% over USD 291.0 billion in FY 2020-21.

A part of India's dedicated freight corridor (DFC) is operative, enhancing the speed of evacuation of manufactured products towards their consumption points and moderating transportation costs, strengthening the country's logistics efficiency.

There is a growing conviction that following 5G investments, India would be poised to emerge as the next shipping hub, marked by international port standards.

The Economic Survey FY 2021-22 identified eight key initiatives to strengthen exports, including Remission of Duties and Taxes

on Exported Products (RoDTEP), Developing District as Export Hub and Production-Linked Incentive scheme.

A consistent improvement in India's Economic Complexity Index indicates a growing sophistication of India's manufactured products, graduating the country from commodities towards value-addition.

India is negotiating Free Trade Agreements with Australia, EU and Canada. The landmark CEPA with UAE could increase bilateral non-oil merchandise trade to USD 100 billion over five years. India launched FTA negotiations with the UK that could double bilateral trade by 2030.

CII renewed the policy suggestion on how India needs to aim for 5% share of world merchandise exports and 7% in services exports by 2025.

**There is a growing conviction that following 5G investments, India would be poised to emerge as the next shipping hub, marked by international port standards.**

# The APSEZ vision

*Synched with national objectives and goals*

## Target 2030

To emerge as the world's largest port company and India's largest transport utility by 2030 with strategic assets across the globe, offering integrated logistics services driven by customer-centricity through technology and best in class talent, following international standards on sustainable health, safety, environmental, financial and governance practices.

## How we intend to achieve Mission 2025

<b>Environment-Social-Governance</b>	Deepen the governance commitment through strategic transparency	Become a carbon neutral company by 2025	100% cargo management using renewable energy
<b>Business mix</b>	Focus on RoCE-accretive initiatives and investments	Increase the asset-light proportion of our revenues (logistics)	Diversify our existing cargo mix
<b>Footprint</b>	Widen and deepen our national footprint	Position an APSEZ port every few 100 kms	Increase our market share (cargo growth)
<b>Asset management</b>	Strengthen the sub-continental ports 'necklace' (organic/inorganic initiatives)	Enhance our asset utilisation	Enhance asset use flexibility
<b>Customer focus</b>	Long-term contracts	Stronger revenue visibility	Achieve a Customer Satisfaction Score of 95+ (of 100)
<b>Financial structure</b>	Disciplined capital allocation	Flexible capital expenditure	Enhance free cash flows
<b>Technology</b>	Invest deeper in technologies	Enhance customer delight	Enhance operating efficiency



Part 3

# WHERE WE INTEND TO GO

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# How APSEZ's strategic differentiated platform has widened its industry leadership

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# This is how we intend to build the world's largest port company by 2030

## STRATEGIC

### Port-plus approach

- Providing integrated logistics services solutions to customers: Investment beyond port assets like different types of Rakes, logistics parks, waterways, warehousing, agri silos and other hinterland-based logistic facilities.
- Focus on Port based industrialisation
- Moving progressively from port intermediation towards supply chain solutions
- Selection of projects around a pre-tax 16% project IRR
- Liquidity of net debt/EBITDA of 3-3.5x

### Locational presence

- 'Necklace' of ports around the Indian coastline
- Ports located from east to south to west India.
- Assets positioned to achieve an east-west parity and 'gateway to India' concept
- Strategic port location to serve a large population base, landlocked hinterland & minerals rich region of the country
- Exploring greenfield & brownfield port development opportunities at strategic locations: example Haldia (LoI issued to APSEZ in February, 2022) and Tajpur (bid was submitted in March 2022).

### Capabilities investment

- Deep capabilities developed through an experience in the development of varied projects
- Projects comprise waterfronts, onshore, back-up area, evacuation and connectivity infrastructure
- Established capability across greenfield, brownfield and terminal locations
- Established respect for commissioning large size infrastructure in time bound manner and at a lower cost
- Investment in port digitisation, IT and new age technology

### Technology

- Investment in large, futuristic and next-generation infrastructure
- Investment in a convergence of modern technologies
- Focus on speed, security, scalability, efficiency and experience
- Teams dedicated to IT, technology, IoT and analytics
- Systems designed to expedite adaptability of technology to any acquired asset

### Long-term relevance

- Investment in LNG & LPG: In line with India's gas-based economy and lower emission targets
- Capability in the creation of all-weather ports and terminals
- Terminals enjoy deep drafts (12.5m to 20m)
- Ability to accommodate the largest bulk and container vessels calling on India
- Mundra accommodates Very Large Crude Carriers (VLCC) and Ultra Large Crude Carriers (ULCC)
- Increasing relevance at a time of large vessel efficiency and economies
- Multimodal connectivity to ports

### Connectivity

- Extend beyond the creation of passive and standalone trade gateways
- Ports positioned around business traction and delivery fulfillment
- Cross-country pipelines (Mundra to North India)
- Double-stack rail connectivity (Mundra to North India)
- DFC advantage at play



### Customer mix

- Enhanced revenue predictability
- Focus on profitable and enduring customer relationships
- Diverse customer base comprising state-owned petroleum refineries, government-owned POL distribution companies, power plants, auto makers, shipping lines and container service providers

### Cargo mix

- Diverse cargo mix dry, roll-on, roll-off, liquid bulk, container, LPG, LNG and crude oil
- Dry cargo from 50% in FY 2015-16 to 44% in FY 2021-22
- Containers 32% in FY 2015-16 to 38% in FY 2021-22
- Liquid & gas cargo: Crude/ others as a proportion of cargo from 17% in FY 2015-16 to 12% in FY 2021-22

### Logistics mix

- Increased proportion of logistics revenue in the overall revenue mix
- Increased the proportion of logistics EBITDA in the overall profit mix
- Ensured control and co-ordination across the value chain by increasing a presence in various logistics segments (Container/bulk trains/ multi-modal logistics park, inland container depots, warehouses, agri logistics, inland waterways and air freight stations etc.)



### Financial

- Consistent Investment Grade rating (capped at the sovereign rating of Government of India)
- Efficient capital cost per MMT
- Extended average debt maturity from a trough of 5.2 years in FY 2019-20 to 6.6 years in FY 2021-22

### ESG Focus

Committed to conserve and improve our environment and take steps towards building a vibrant, secure and resilient society, through a focus on Environment, Social and Governance (ESG) and Safety

### Containerisation bias

- Consistent increase in container cargo as a proportion of overall cargo handled
- 5 APSEZ ports and two upcoming ports possessing container handling facilities
- Container portfolio growth of 14% CAGR in 5 years
- Container cargo market share at 43% of India's container cargo

### Milestones

- FY 1998-99: Commissioned Mundra port
- FY 2010-11: Commissioned Dahej port
- FY 2012-13: Commissioned Hazira port
- FY 2013-14: Commissioned Murmugao terminal
- FY 2014-15: Acquired Dhamra port
- FY 2014-15: Operationalised the Vizag and Tuna terminals
- FY 2016-17: Acquired the Kattupalli port
- FY 2017-18: Commissioned the Ennore terminal
- FY 2020-21: Acquired the Krishnapatnam port and Dighi port
- FY 2021-22: Acquired a 41.89% stake in the Gangavaram Port
- FY 2021-22: Received LoA for the mechanization of Berth No. 2 (DBFOT basis) in Haldia

Insight 

# How APSEZ is strengthening its positioning as a sectorial outlier

## Overview

APSEZ is the largest player in India's maritime sector and handled 312 MMT of cargo across 11 operating ports.

**Railways player:** The Company participated in the Indian Railways GPWIS Scheme, investing in 23 rakes connecting our ports (31 GPWIS rakes touching our ports). Under the GPWIS scheme, rakes are deployed for mine-to-power plant movements, increasing the potential for increased rake deployment.

Rail-based container handling in Mundra increased from 32% to 38%; Mundra port improved double-stack train handling from 39% to 48%, reducing delivered logistics costs and emissions; the Company engaged in the road-to-rail conversion of containerised cargo from Morbi to Mundra.

**Scale:** Mundra berthed the largest container vessel to call on India (APM Rafael with 17,292 TEU capacity).

**Long-term tie ups:** The Company entered into long-term customer contracts to deliver material to

their doorstep or collect from their doorstep, enhancing cargo visibility while graduating from transactions to solutions.

**Responsiveness:** The Company is improving its rail-based turnaround time across ports, increasing the loading rate and reducing pre-berthing delays to moderate delivered logistics costs to customers.

**Digitalisation:** The Company invested in mechanisation and automation across terminals; its upgraded Terminal Operating System enhanced port efficiency; its in-house simulators prepared local talent.

**ROCE increase:** The Company sweated assets, increasing the utilisation of berths and equipment, generating a pre-tax IRR of 16% or more.

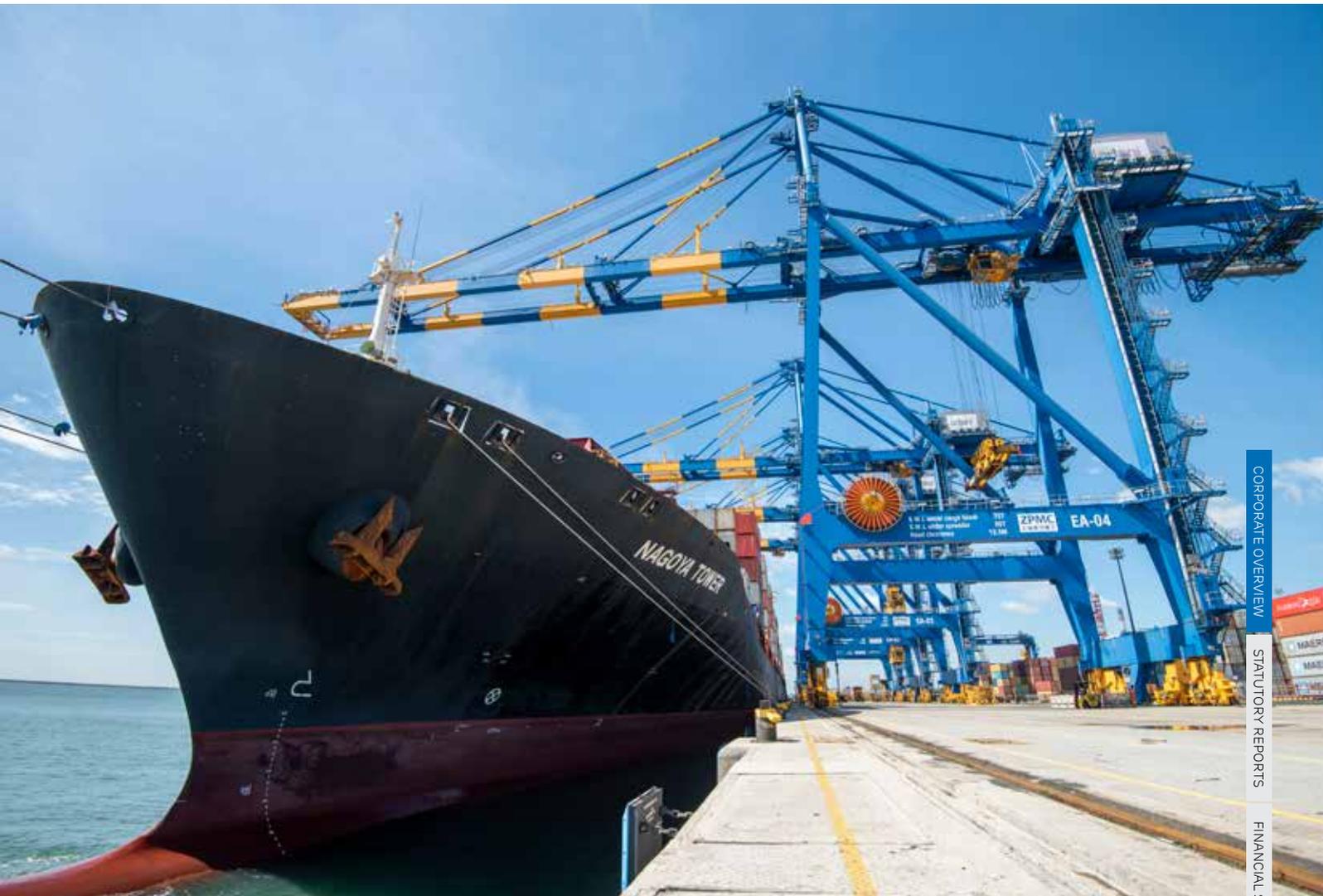
**End-to-end solution:** The Company provides a larger proportion of customers with end-to-end solutions, comprising the use of GPWIS rakes, rail logistics, warehousing and road logistic solutions including first mile, last mile and long haul trucking interventions.

**Port-related industries:** The Company attracted port-dependent industries, generating assured volumes for its ports. The Company signed an MOU with POSCO for setting up a steel plant; it is evaluating a slurry pipeline at Dhamra port and setting up a conveyor system to service Krishnapatnam.

**Pan-India presence:** The Company enjoys a pan-India presence to provide customers a complete solution (finally awarded an LoA for a terminal at Haldia).

**ESG:** The Company is intending to become carbon-neutral by 2025. It electrified all quay cranes (QCs) and invested in 400 E-ITVs to reduce fossil fuel consumption and move to electric equipment.

**Capacity building:** The Company is capable of berthing and handling the largest bulk and container vessels calling on India. The terminals possess deep draft, high mechanisation and automation, underpinned by state-of-the-art technology and adequate evacuation infrastructure (rail and road).



## The outcomes of our value-focused approach

**Sectorial leadership:** The Company carved away more than a quarter of the port cargo market share in the world's fifth largest economy in less than a quarter of a century-with no previous sectorial experience.

**Revenue visibility:** The Company generated more than 49% of port throughput from customers of five years or more – progressively de-risked annuity-like volumes and revenues.

**Profitability:** The Company achieved possibly the highest EBITDA margin and growth-adjusted RoCE among peer port operators in the world.

**Growth speed:** The Company established its position among the five fastest growing port companies in the world.

**Margins:** The Company increased EBITDA margin from 54% in FY 2006-07 to 62% in FY 2021-22; EBITDA margin increased in 16 years out of 23 years of the Company's existence.

**Liquidity:** The Company has adequate liquidity that makes it growth-ready; it reduced Net debt/EBITDA from 4.4x as in FY 2015-16 to 3.4x as in FY 2021-22.

**Productivity:** The Company emerged as a global technology-driven showcase; people cost as a proportion of revenues was 1000+ bps lower than in developed countries.

**Credit rating:** The Company is the only Indian port infrastructure company to be accorded Investment Grade rating by leading international rating agencies.

# APSEZ: We have created an entire ecosystem to enhance shareholder value

*Our various arms provide an integrated solution for pan-India customers*

## Overview

APSEZ is the largest player in India's maritime sector.

The Company has been investing in logistics and warehousing to develop multi-modal logistics parks in line with the coordinated and accelerated growth approach of Maritime India Vision (MIV) 2030

APSEZ progressively reinvented its personality as a transport utility through the following initiatives:

- APSEZ is developing India's largest multimodal logistics park at Sanand in Ahmedabad (1450 acres)
- APSEZ is expanding its presence on the East and West coasts of India; it added Krishnapatnam and Gangavaram to its ports portfolio in 2021
- It progressed with the construction of Vizhinjam in Kerala and a terminal in Colombo, a new transshipment hub for Southeast Asia

The Company intends to emerge as a one-point customer-centric transport utility across ports

and hinterland with a pan-India integrated logistics presence. The Company will expand its logistics portfolio into rail, logistics parks,

warehouses, cold-storage, air freight stations, grain silos, inland waterways and trucking.



## Idea whose time has come

There is a growing relevance for integrated logistics services in India for good reasons.

**One**, there is a greater awareness that the age of passing cost increases to customers is over; companies will need to locate inefficiencies from within. The incremental margins of the future will need to come from waste elimination and moderated costs.

**Two**, the world is moving from quantity (or size) of Balance Sheets to quality (profitability) with a bigger premium on Balance Sheet hygiene.

**Three**, the world is moving towards sustainability, its manifestations being a movement towards solutions, service partnerships and service integration.

**Four**, India is passing through its largest expansion and

modernisation of infrastructure, empowering transporters to deliver with enhanced speed from one point to another. Correspondingly, transhipments have declined; cargo is delivered to doorsteps.

**Five**, the Balance Sheets of service providers have begun to transform: an entirely new logistics-driven reality is emerging. Working capital cycle cycles have begun to get shorter on account of quicker resource access; working capital load has begun to decline due to lower inventories; working capital debt has begun to moderate in a number of cases.

**Six**, the customer in India is increasingly seeking to work with service providers who extend beyond the core service and provide a business-strengthening solution whose profitability outcome can be measured

through superior margins.

**Seven**, as businesses get competitive, there is a greater willingness to outsource some non-core aspect to specialised service providers, so that managements can focus on what comes best to them.

**Eight**, the Dedicated Freight Corridor in India is expected to revolutionise India's freight cargo delivery through speed and volume.

**Nine**, the GPWIS Policy in 2018 empowered private players to invest in wagons to carry coal and iron ore.

For all these realities, customers are willing to pay better, extend to multi-year logistics partnerships and from inward materials to outward dispatch.

## The service provider's edge

From the service provider's perspective, the delivery of an integrated service holds out attractive promise for credible reasons.

**One**, the assurance of a one-stop solution makes it possible to transform a transaction into a multi-year relationship.

**Two**, the multi-year engagement and revenue visibility make it possible to invest in long-term infrastructure.

**Three**, long-term infrastructure makes it possible to control costs, asset quality and service standard, translating into a desired holistic solution.

**Four**, the integration and scale empower the logistics service providing company to generate incremental margins from within and price competitively compared with the rest of the market – an unbeatable proposition.

**Five**, the service integration –

road, rail, sea and air – makes it possible to enhance service flexibility that results in the quickest delivery at the lowest cost.

**Six**, in a country as large as India – one of the largest in the world by size and customers spread all over – efficient cargo movement represents the national lifeline, resulting in one of the largest under-penetrated opportunities for this business in the world.

### APSEZ's preparedness

APSEZ's business model lies in aggressive and protected growth, which reconciles the best of a combined hunter-farmer model.

At the hunter level, we invest in new assets (ports, rail lines, rolling stock and multi-modal

logistic parks) with proactive scale, speed and competitiveness. This represents our foundation of profitable long-term growth. At the farmer level, we ensure long-term revenue visibility, attractive delta and low operational costs (through a prudent leverage of

technology and controls), leading to predictable business outcomes.

This combination – a platform-strengthening approach leading to secured annuity-like incomes – represents the core of our value-enhancement engine

### Strategic clarity

At APSEZ, our principal achievement in the recent past has been the ability to enhance capital efficiency (RoCE) while being engaged in aggressive reinvestment without compromising Balance Sheet strength.

Following investment in the logistics business, the focus will be on capital efficiency, marked by asset sweating, revenue growth, cost control and disciplined capital allocation, strengthening the virtuous cycle. The Company will invest in projects marked by returns higher than pre-defined expectation; it will shrink the capital expenditure tenure that makes it possible to go into revenue mode faster; the Company's business will pivot around its IG rating in exchange for lower debt cost; it

intends to bring into play new assets in Dhamra, Kattupalli, Krishnapatnam, Gangavaram and Dighi; it intends to widen revenue streams through the expansion of the logistics business; it intends to progressively monetise its SEZ and land bank with contiguous multi-modal connectivity; it intends to moderate its working capital cycle; it intends to double EBITDA by 2025.

Besides, we intend to diversify our cargo away from coal towards a balanced cargo mix, enhance the proportion of non-Mundra ports, leverage strategic partnerships with TOTALenergies in the LPG/LNG business and with MSC and CMA-CGM in the container business; enter strategic partnerships and a user-driven capex in the ports business; leverage digital technologies

to reduce costs; enhance the proportion of revenues from the container business; become carbon-neutral while promoting a green supply chain.

APSEZ emerged as a successful bidder and received LoA from Dedicated Freight Corridor Corporation of India Limited (DFCCIL) for the development of freight terminals with exclusive station connectivity across eight locations in Western Dedicated Freight Corridor (WDFC) and Eastern Dedicated Freight Corridor (EDFC). Once developed, these terminals on WDFC will enjoy direct DFC corridor connectivity and accelerate cargo movement, leveraging the advantage of a double-stack container rake movement, reducing logistic costs for users.

### What we have achieved till now

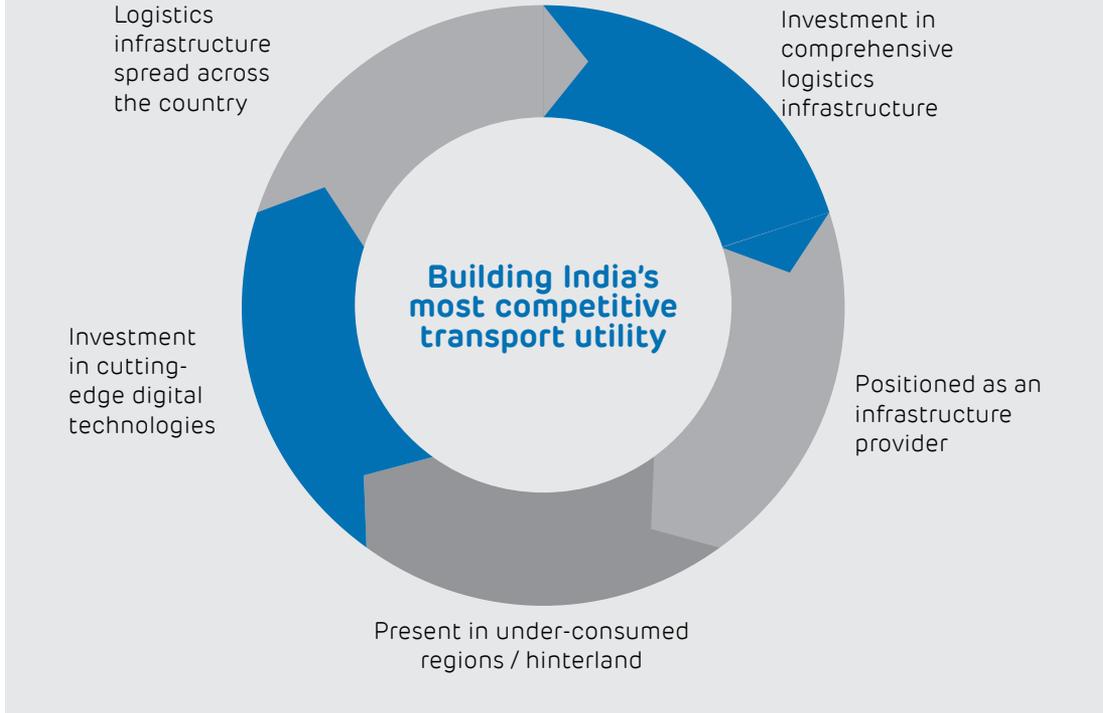
APSEZ is India's largest integrated logistics company and India's most valuable listed ports company

It has emerged among the five fastest growing global port companies

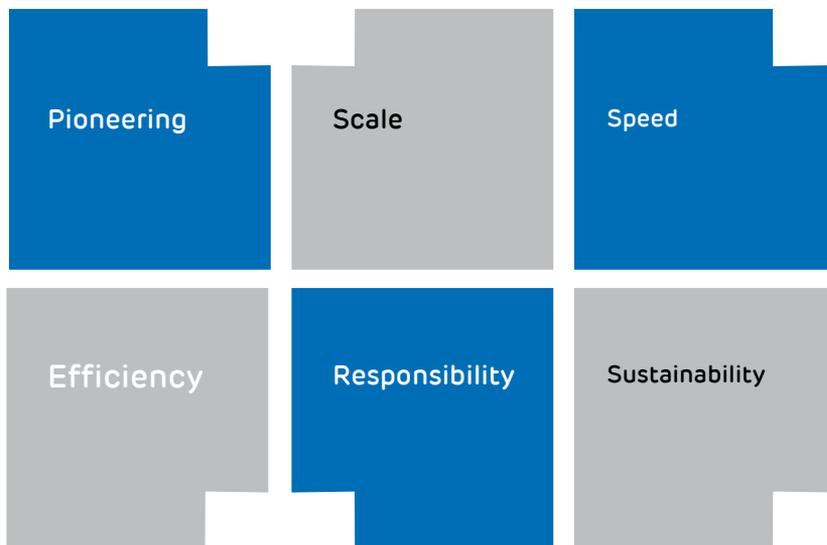
It reports among the highest EBITDA margins in the global ports sector

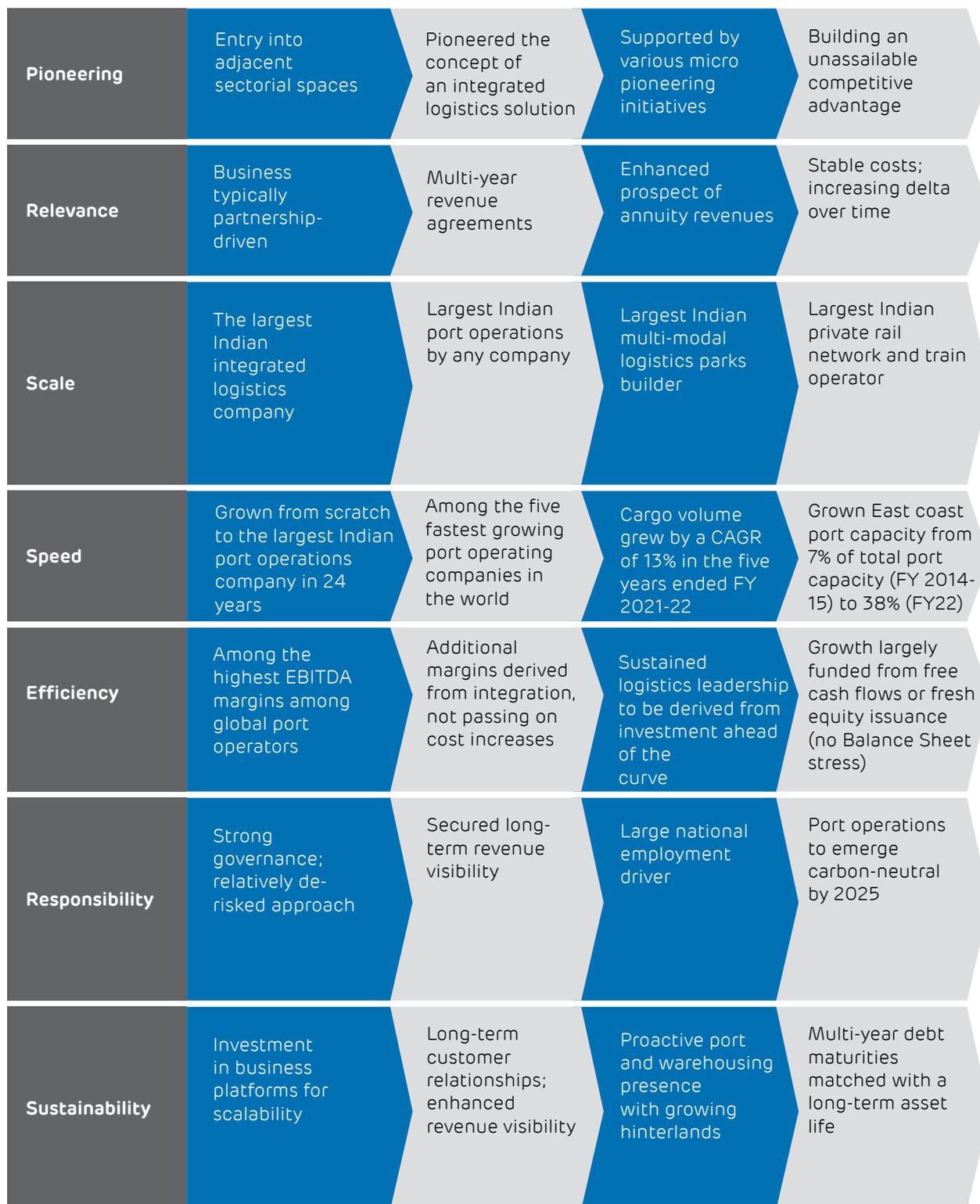
Its market capitalisation has outperformed the growth of the BSE Sensitive Index since 2010 by ~2x

### How a complement of logistics service locations can catalyse growth



### The broad elements of how we enhanced shareholder value over the years





## How we strengthened our business

### Number of ports

**11**

Operational ports,  
FY 2021-22

### Port capacity

**498 MMT**

Port capacity, MMT,  
FY 2020-21

**538 MMT**

Port capacity, MMT,  
FY 2021-22

### Logistics infrastructure

**1**

Logistics parks, FY 2006-07

**5**

Logistics parks, FY 2020-21

**6**

Logistics parks, 2021-22

### Logistics capacity

**60**

Number of trains, FY  
2020-21

**75**

Number of trains, FY  
2021-22

## How we generated superior financial hygiene

### Capital employed

**66,474**

₹ crore, Capital  
employed, FY 2020-21

**84,096**

₹ crore, Capital  
employed, FY 2021-22

### Liquidity

**3.3**

Net debt/EBITDA, FY  
2020-21

**3.4**

Net debt/EBITDA, FY  
2021-22

### Earnings

**8,063**

₹ crore, EBITDA,  
FY 2020-21

**9,811**

₹ crore, EBITDA,  
FY 2021-22

### Free cash flow intensity

**72**

Free cash flow as % of  
EBITDA, FY 2020-21

**54**

Free cash flow as % of  
EBITDA, FY 2021-22

## How we were rewarded by the markets

### Capital appreciation

**31,637**

₹ crore, market  
capitalisation,  
31st March, 2010

**1,42,710**

₹ crore, market  
capitalisation,  
31st March, 2021

**1,63,540**

₹ crore, market  
capitalisation,  
31st March, 2022

### Liquidity

**417**

% growth in market  
capitalisation (2010-  
2022)

**231**

% growth in BSE  
Sensex (2010-2022)

### Cumulative dividend payout

**7,075**

₹ crore, following  
listing until FY 2021-  
22

**19**

% payout ratio since  
listing until FY 2021-  
22

**20-25**

% declared payout  
ratio

### Total delivered shareholder value

**44,000**

₹, Investment in 100  
shares on listing in  
2007

**3,99,300**

₹, value of equivalent  
shares (market value  
plus dividends earned)  
as on 31st March,  
2022

Part 4 

# HOW OUR COMPANY IS ENHANCING INTEGRATED VALUE





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Value Creation 

# Integrated Value Reporting

## Our Capitals

All organisations depend on various forms of Capitals for their value creation. Our ability to create long-term value is interrelated and dependent on various forms of Capitals available to us (inputs), how we use them (value-accretive activities), our impact on them and the value we deliver (outputs and outcomes).

### The various Capitals influencing our business and their impact

	Financial Capital	Manufactured Capital	Intellectual Capital
<b>What is it</b>	Create value for shareholders through sustainable growth	Resilient assets and equipment to deliver services to customers	Consider innovation as a strategic element of the Company
<b>Management approach</b>	<ul style="list-style-type: none"> <li>Create value for shareholders through sustainable growth</li> </ul>	<ul style="list-style-type: none"> <li>Resilient assets and equipment to deliver services to customers</li> </ul>	<ul style="list-style-type: none"> <li>Consider innovation as a strategic element of the Company</li> </ul>
<b>Significant aspects</b>	<ul style="list-style-type: none"> <li>Balanced and diversified growth</li> <li>Sound financial structure</li> <li>Operational excellence</li> <li>Sustainable outcomes and dividends</li> </ul>	<ul style="list-style-type: none"> <li>Number of ports, Inland Container Depots (ICDs), warehouses cargo handling capacity</li> <li>Other assets</li> </ul>	<ul style="list-style-type: none"> <li>Digitalisation for efficiency</li> <li>Disruptive technology and business models</li> <li>Collaborate with partners for innovative business solutions</li> </ul>

	Human Capital	Natural Capital	Social and Relationship Capital
<b>What is it</b>	Employee knowledge, skills, experience and motivation	Natural resources impacted by the Company's activities	Ability to share, relate and collaborate with stakeholders, promoting community development and wellbeing
<b>Management approach</b>	<ul style="list-style-type: none"> <li>Availability of a committed and qualified workforce offers an inclusive and balanced work environment</li> </ul>	<ul style="list-style-type: none"> <li>Ensure sustainable use of natural resources and contribute to combating climate change</li> </ul>	<ul style="list-style-type: none"> <li>Promote trust with stakeholders, improving the quality of life of people in areas of presence</li> <li>Wellbeing of the workers and dignity of workers</li> <li>Zero incident programme</li> </ul>
<b>Significant aspects</b>	<ul style="list-style-type: none"> <li>Employee well-being</li> <li>Talent management</li> <li>Diversity, equal opportunity</li> <li>Learning &amp; development</li> </ul>	<ul style="list-style-type: none"> <li>Climate change</li> <li>Preservation of biodiversity</li> <li>Management of environmental footprint</li> <li>Operational excellence and energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Community support programmes</li> <li>Human rights</li> <li>Brand management</li> <li>Transparency and good governance</li> <li>Corporate reputation</li> </ul>

## APSEZ's growth platform

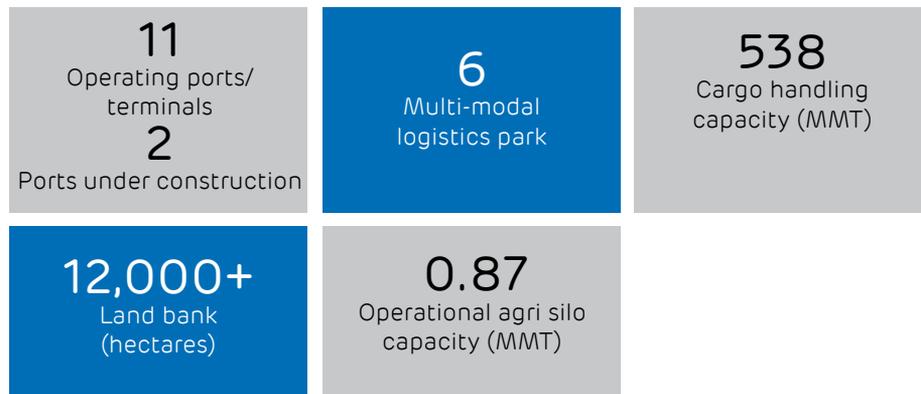
<b>Financial Capital</b>	<b>15,934</b> Revenue (₹, crore)	<b>9,811</b> EBITDA (₹, crore)	<b>4,795</b> PAT (₹, crore)	<b>11</b> ROCE (%)
<b>Manufactured Capital</b>	<b>312.39</b> Total cargo volume (MMT)	<b>8201.55</b> Total container volume handled (TEU's '000)		
<b>Intellectual Capital</b>	Real-time vessel movement tracking	Streamlined data repository		
<b>Human Capital</b>	<b>10.39</b> Employee voluntary turnover	<b>6.61</b> Revenue per employee (₹, crore)	<b>0</b> LTI On-roll + FTE on Contract	<b>0</b> Fatalities On-roll + FTE on contract
	<b>0</b> Injury rate for On-roll + FTE on contract (Per million man hours worked)			
<b>Natural Capital</b>	<b>10,86,392</b> Total power consumed (GJ)	<b>155</b> Energy intensity (GJ/Revenue in ₹ crore)	<b>209.69</b> Environment investment (₹, crore)	<b>4,731</b> Water consumed (million litres)
	<b>0.26</b> Water consumption intensity (ML/ Revenue in ₹ crore)	<b>3,22,499</b> GHG Emission (tCO <sub>2</sub> e)	<b>17.8</b> Emission intensity (tCO <sub>2</sub> e/ Revenue in ₹ crore)	<b>1000</b> (Ha), Terrestrial plantation
<b>Social and Relationship Capital</b>	<b>6.68</b> Number of direct and indirect beneficiaries (lakh)	<b>0.26</b> Injury rate of contractual workforce (per million person hours worked)	<b>3</b> Fatalities contractual workforce	<b>16</b> LTI contractual workforce
	<b>49.89</b> CSR expenditure (₹, crore)	Guidelines on Human Rights	Guidelines on Diversity & Inclusion	Increased transparency with ESG dashboards

# Our APSEZ business model

## Financial Capital



## Manufactured Capital



## Intellectual Capital



## Human Capital

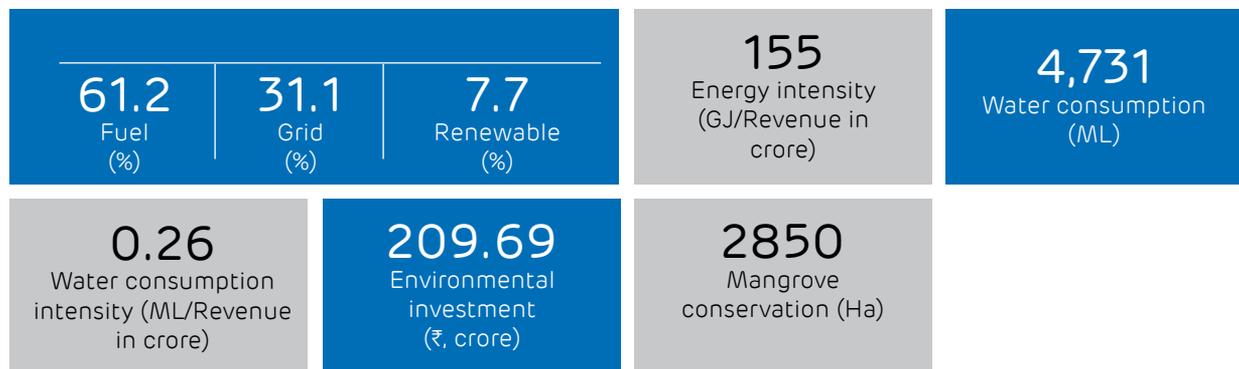


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## Social and Relationship Capital



## Natural Capital



### Value created

**Culture-efficiency improvement:** Enhancing and sustaining the business through improvements in asset utilisation, focus on collaborative work and innovation

**Consumer logistics:** Full-scale logistic solutions provider to customers

**Container and cargo growth:** Focusing on growth by improving the stickiness of cargo through long-term contracts, cargo diversification and bringing together shipping lines

### Priorities

- Placing customer-centricity as a pillar to drive profitability and revenues
- Enhancing value through automation and technology use
- Improving market share
- Targeted cargo growth at 1.5x+ of the all-India level
- Progressive ports EBITDA improvement by 100 bps

### Outputs

**Investors:** Stable returns through share price appreciation and dividend pay-out

**Customers:** Value to customers by providing high quality solutions

**Employees:** A safe, rewarding and inspiring place for employees to work and develop their careers

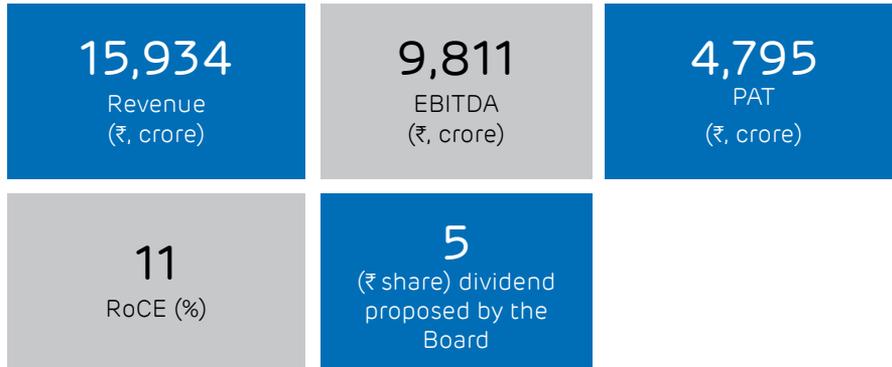
**Community:** Improving the quality of lives; leadership committed for social and environmental sustainability

### Supply Chain

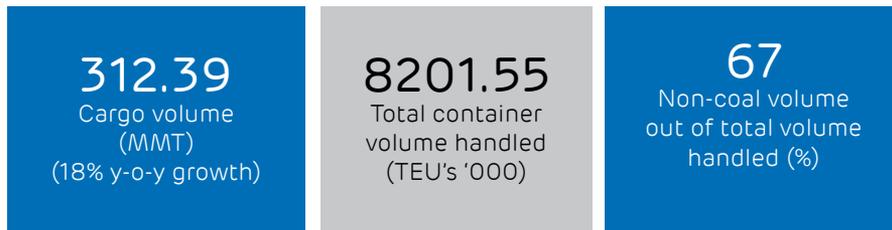
<ul style="list-style-type: none"> <li>Partnership opportunities for suppliers and sub-contractors to contribute and share in our success</li> <li>Placing customer-centricity as the key pillar to drive</li> </ul>	<ul style="list-style-type: none"> <li>profitability and revenue</li> <li>Enhancing value through automation and technology use</li> <li>Improving market share</li> <li>Target to maintain cargo</li> </ul>	<ul style="list-style-type: none"> <li>growth at 1.5x of the all-India level</li> <li>Progressive port operations EBITDA improvement by 100 basis points</li> </ul>
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# The outcomes of our business model

## Financial Capital



## Manufactured Capital



## Intellectual Capital



## Human capital

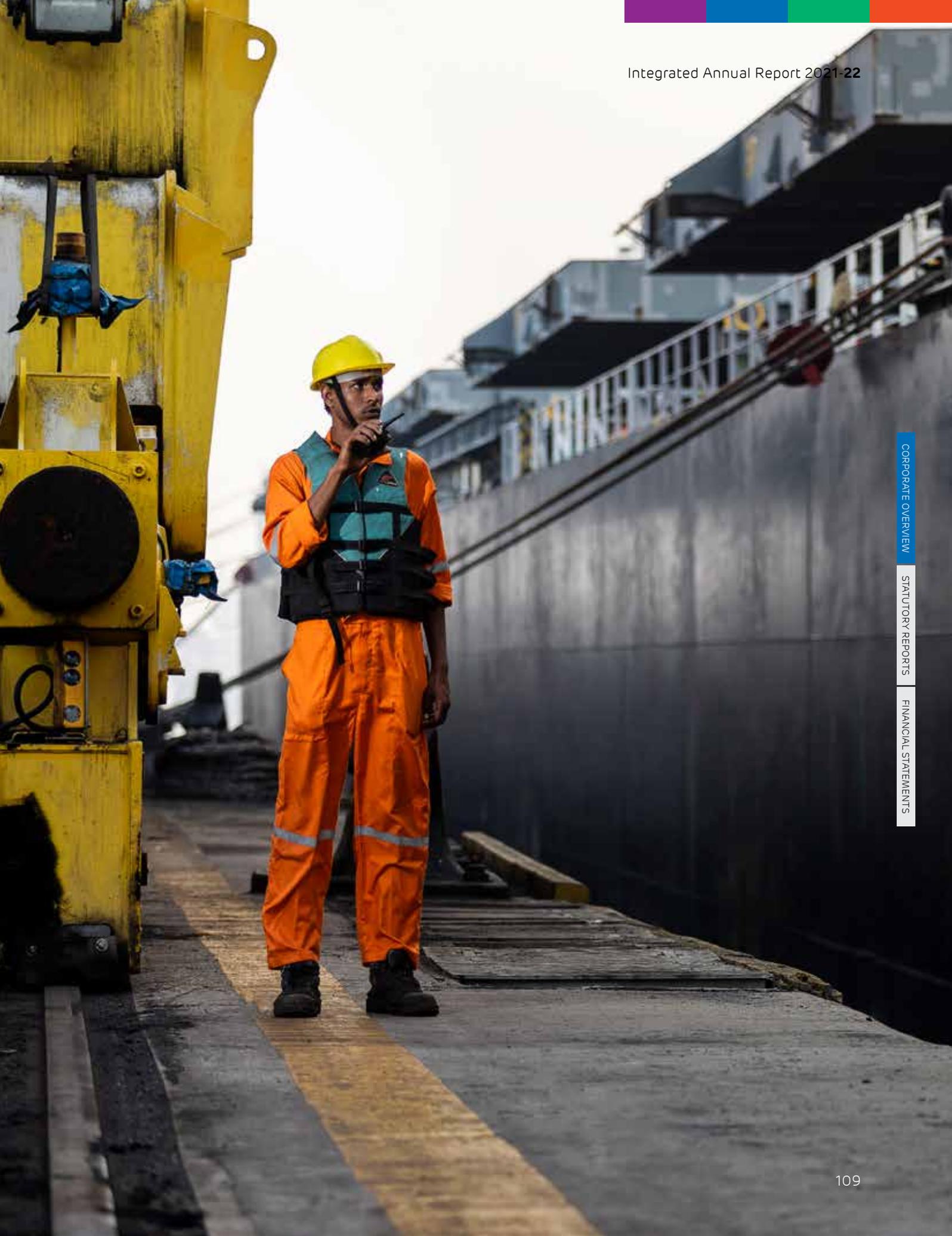


## Social & relationship capital



## Natural Capital





Stakeholder engagement 

# Engaging with our stakeholders - fostering relationships

*We continue to listen to and fulfil the aspirations of our stakeholders. Over the years, we have built a cohesive team around mutual respect and trust.*

**Overview**

At APSEZ, we responded to the views and concerns of our internal and external stakeholders, adapting to emerging risks and striving to meet expectations placed upon the Company as an integrated business. Listening to the stakeholders helps us understand external views and concerns leading to appropriate responses. It provides valuable information and feedback on our

strategic approach, policies and procedures.

We engage with stakeholders through a variety of mechanisms, including direct dialogue, surveys, engagements at professional and industry forums, and information sharing. The frequency and nature of this dialogue are designed to facilitate regular communication with stakeholders on key issues. We conduct additional engagements with stakeholders

as a part of the development of our sustainability reports; this feedback is important in report preparation.

Our stakeholders comprise customers, employees, investors, government, communities and suppliers who help design business strategy. All these groups have a compounding impact on the Company in terms of risks, opportunities and growth potential.

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External stakeholders

**Ongoing engagement**

- Formal and informal reviews of projects, programs and relationships
- Key conferences and industry events
- Feedback from key suppliers and contractors
- Management Programme
- Meetings & consultations
- Helplines
- Grievance redressal mechanisms

**Annual feedback**

- Stakeholder interviews
- Media & social media reviews

- Regulators
- Financial
- Contractors & suppliers
- Customers
- Communities
- Rating agencies
- Peers
- Media
- Associations

Internal stakeholders

**Ongoing engagements**

- Knowledge sharing sessions
- Team and staff meetings
- Open forums
- Employee surveys
- Newsletters and intranet sites

**Annual Feedback**

- Stakeholder interviews
- Media and social media reviews
- Exit interviews
- Performance evaluation

- Employees
- Board of Directors



We conduct continuous dialogues with stakeholders through various means. During FY 2021-22, we engaged one-to-one with most stakeholder groups - face-to-face

and digital engagement, while sharing insights with our teams. We understand that resources are required to acquire feedback and are committed to listen to

stakeholders. We consider the nature of business relationship, mega trends and sector outlook as guiding notes to revise our materiality matrix.

**Engaging with key stakeholders**

	Community	Customers	Investors	Suppliers	Regulators	Employees
What matters to our stakeholders?	The communities around our operations share resources and have their livelihoods dependent on natural resources. It is essential that we maintain healthy relationships with communities	As preferences change, understanding our customers is essential for growth	It is essential we maintain the support of our investors to maintain access to capital	Effective relationships with suppliers of materials and service vendors are essential to an efficient, productive and secure supply chain	We work with and comply with the regulatory environment in which we operate, and work collaboratively to develop solutions for common challenges.	The quality of our people drives our growth. We understand the value of responding to feedback from our employees to maintaining a fulfilling, rewarding and work environment
How do we respond?	Livelihood Support Social Infrastructure Health & Safety Environment Conservation Biodiversity Conservation	Service Quality Automated access to services Clear Information Meeting Sustainability Initiatives Ease of Business Cost, Price	Business Performance ESG Agenda Corporate Governance Compliance Strength of Leadership	Health & Safety Fair Payments Ethical & Fair Practices Infrastructure	Regulations Tax Human Rights Climate Change	Compensation & benefits Training & development Diversity & inclusion Feedback & engagement
Where to look in the report?	CSR (Page 220) Building sustainable future (Page 143)	Customer Centricity (Page 184).	Economic Performance (Page 12, 101) Corporate Governance (Page 237, 324) ESG(Page 143)	Human Rights (Page 127, 189, 208) Supplier Assessment (Page187)	Compliance (Page 152) Corporate Governance (Page 237, 324)	Knowledge Capital (Page 198)

## Stakeholder engagement

### Suppliers engaged via ESG assessment and human rights assessment

We conduct Supplier ESG assessment where environment KPIs such as energy use, water use, efficiency, fuel consumption etc. are a part of the evaluation process. Suppliers and vendors who work in our premises are regularly monitored to ensure that they operate in compliance with environmental laws, company policies and commitments. They are graded on their ESG performance and action plans are developed to help them improve. Suppliers with an overall score of more than 90 are recognised,

which encourages others to emulate. During the on-boarding process and later on a regular basis, the suppliers undergo third party audit of their operations for compliance with safe working condition requirements, avoidance of child and forced labour and human rights due diligence. An ongoing assessment of the suppliers' human rights policy alignment takes place through the annual vendor engagement survey and one-to-one meetings. *More details can be accessed in the Supplier section.*

### Customers engaged via survey

Customers (shipping lines) are required to follow The Berthing Guidelines, which provide guidance on the efficient provisions of pilotage services and agreed operational parameters and environment & safety measures endorsed by the Marine Department. Environment protection is a shared responsibility of our customers who have a significant impact on marine biodiversity. Customers are assessed on their environment and sustainability policies and their alignment with the sustainability goals of APSEZ.

In surveys, customers are asked to disclose about their environment and health & safety management systems & certifications and targets on carbon reduction, waste management and water efficiency. Customer human rights policies are also assessed with the information on their adherence to labor laws, minimum age of the workers, minimum wages paid and anti-discrimination and diversity policy. *More details can be seen in the customer section.*

### Community members engaged via need-based assessment and impact assessment surveys

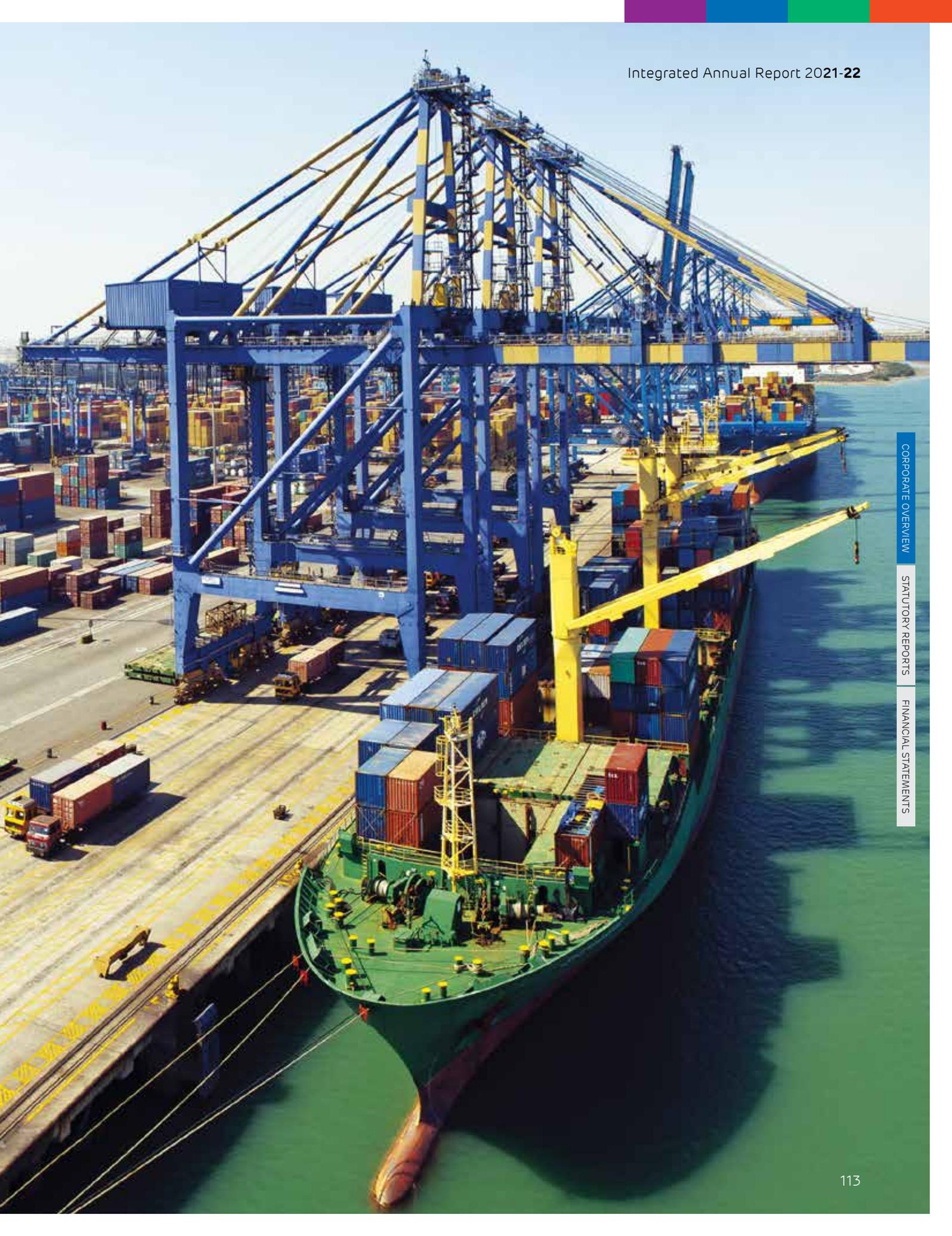
Need assessments are carried out to identify and prioritise the interventions required by the communities. Impact assessments of various community development projects

are performed by third parties to measure positive impacts of our various CSR interventions undertaken. Alongside, some human rights studies/ assessments are carried out.

### Employees engaged via employee survey and human rights survey

Every year, as part of our annual evaluations, we conduct surveys with the employees to understand how the Company performed from their perspective, where we lacked and how we can improve. This enables us to improve towards our goal to becoming the employer of choice. This year, we also asked

employees about any workplace harassment or discrimination faced, the effectiveness of the system to identify and report human rights issues, and the awareness of various means to report any abuse.



## Grievance redressal

### Grievance management system

A robust and effective grievance redressal process is necessary for a large organisation like ours to build trust among stakeholders. We are committed to hear all stakeholders and address their concerns. To facilitate this, we adopted an integrated, seamless and transparent grievance redressal platform called Grievance Management System (GMS). This online platform is adopted by all our functions and caters to the needs of all the internal and external stakeholders, including, community, vendors, suppliers, customers, and permanent & contractual employees. This is a common platform for all APSEZ businesses - Ports, Logistics, Dredging and Harboring- and is hosted on APSEZ website.

The process of raising a query or complaint with APSEZ and getting resolution is transparent, unambiguous and time-bound. A stakeholder needs to register oneself through e-mail or phone by generating an OTP and raise the case (queries, issues or complaints) through the online GSM application. Once the case is booked, it goes to a gatekeeper who can respond directly if the scope of it falls under his/her ambit or gatekeeper can assign it to the concerned level 1 respondent. The case can

further be reassigned to other respondents in the responsibility chain. The gatekeeper also helps to reallocate the request on the assigned grievance, register stakeholders on their behalf, review the final comments given by all the respondents and submit to stakeholder.

The defined procedure for redressal sets responsibility within the concerned team and provides definite timeline for the resolution. Here, the use of technology has made the process efficient and scalable. Moreover, the GSM dashboard gives real-time status and expected time for resolution to the stakeholder. The stakeholder can also view the response on the dashboard, provide feedback or reopen the case if not satisfied.

### Other means of grievance redressal

APSEZ has an open-door culture to listen to its employee concerns and feedback. We believe listening and responding to our people is important as this gives a sense of importance / confidence to them. Hence, we encourage our people to speak up if anything within the Company affects/concerns them.

'Speak-Up' is APSEZ's online Grievance Redressal system specifically for employees, wherein they can raise their concerns to

be taken up by the Grievance Redressal Committee (GRC) and resolved within 14 working days. Detailed communication pertaining to this is shared with all employees.

In addition, grievance registers, complaint boxes are available at sites/locations wherein complaints can be registered. Workers that are engaged on contractual basis can report their grievances to their respective contractor representative or the Company supervisor. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads.

Suppliers, Consultants, Retainers, Clients or any other parties that are engaged on a project / periodic basis are governed can raise their complaints with the concerned HR Business Partners and respective functional heads.

Several people across our site (supervisors, seniors and department heads) can be reached directly for reporting any grievance. We provide communities with a system for reporting grievances, which are recorded, reviewed, escalated and actioned upon within a stipulated time frame.

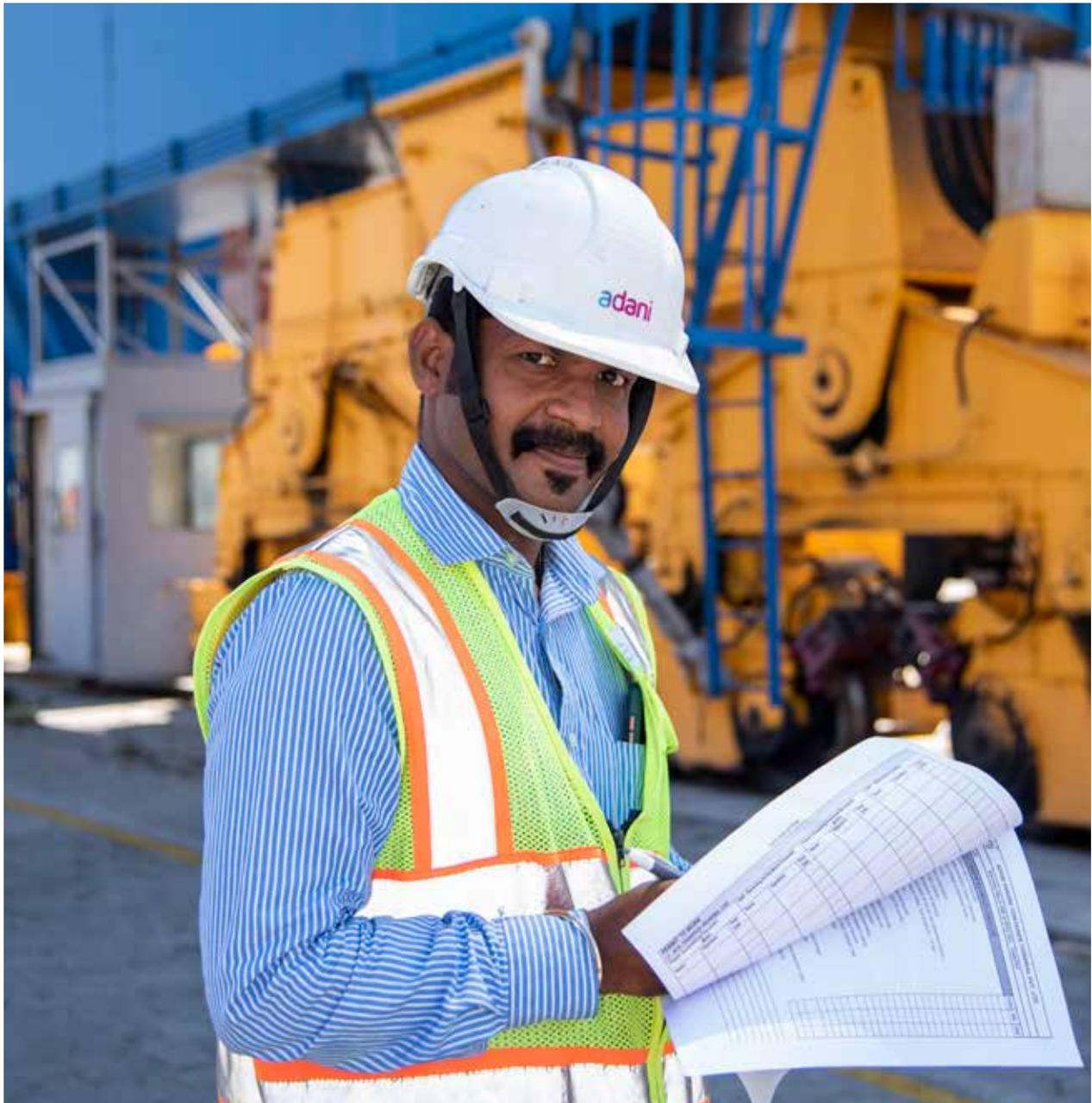
### Advocacy and leadership

Advocacy and leadership serve as the foundation of APSEZ's democratic decision-making and policy development. We participate in sector-specific public consultations and are partner in regional and national opinion-forming processes, thus, influencing the decisions made by political, economic and

social organisations. We are determined to play a constructive role in shaping a regulatory framework for the organisation with reliable support from our Board members in collaboration with local governments, industry associations and customers to develop policy briefs. We monitor relevant global and national topics that allow a timely identification of government schemes, policies

and incentives that may have a positive or negative impact. Topics that are particularly relevant to APSEZ include environment, climate change, port development for trade enhancement, resource efficiency, marine pollution, biodiversity etc. Industry associations through which we participate in advocacy and leadership initiatives:

- Confederation of Indian Industry (CII)
- World Economic Forum (WEF)
- Federation of Indian Export Organisations (FIEO)
- Federation of Indian Chamber of Commerce and Industry (FICCI)
- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Ahmedabad Management Association (AMA)
- Gujarat Chamber of Commerce and Industry (GCCCI)
- Federation of Kutch Industries (FKI)
- Hazira Area Industries Association (HAIA)
- Southern Gujarat Chamber of Commerce & Industries (SGCCI)
- Gujarat Safety Council – Vadodara (GSC)
- National Safety Council – Mumbai (NSC)
- Industrial Waste Management Association, Chennai (IWMA)
- The Company subscribes to the following externally developed principles:
- United Nations Global Compact (UNGC)
- India Business & Biodiversity Initiative (IBBI)
- IUCN - Leaders for Nature (LfN), India



Materiality 

# Issues that influence value creation

A key strength of our approach to sustainability is a robust process to identify and understand the most material ESG priorities.

**Strong foundations**

We have been engaged in materiality assessments since 2015, which we review on an annual basis and refresh through an in-depth process every two years. This helps us assess the level of importance of topics for our stakeholders and business - those with the highest level of importance form our ESG agenda, those that comprise risks to business continuity and have a financial and / or reputational impact on business.

This comprehensive approach to evolving our ESG agenda ensures that we keep pace with emerging priorities and stakeholder expectations. The current topics were defined through an in-depth materiality assessment in 2019. The assessment led us to refresh our strategy with the purpose

of building a futuristic port for stakeholders.

The ESG agenda is central to our purpose. It reflects reducing harm – environment, people and society as a principal focus, underpinned by excellence across ESG priorities.

**The materiality assessment**

We work with internal stake and external stakeholders to identify material topics. The process we adopt have been given below:

**Identify**

We identify a list of topics based on feedback from stakeholders - issues by investors, suppliers, communities, employees and governments as part of our engagement and grievance redressal systems.

In addition, we commission social media analysis as well as a benchmarking of industry peers. Further inputs include reviews of merging national and

global regulations; international standards such as UN Sustainable Development; external reports; risk reports such as those of the World Economic Forum.

The external inputs are completed by internal insights, including Group and company strategies, risk register, group policies, principles and standards.

**Assess**

All issues identified in the first stage are grouped under common themes and mapped onto a materiality matrix. This mapping uses a defined scoring methodology to assess the level of importance for our stakeholders and current or potential impact on the business.

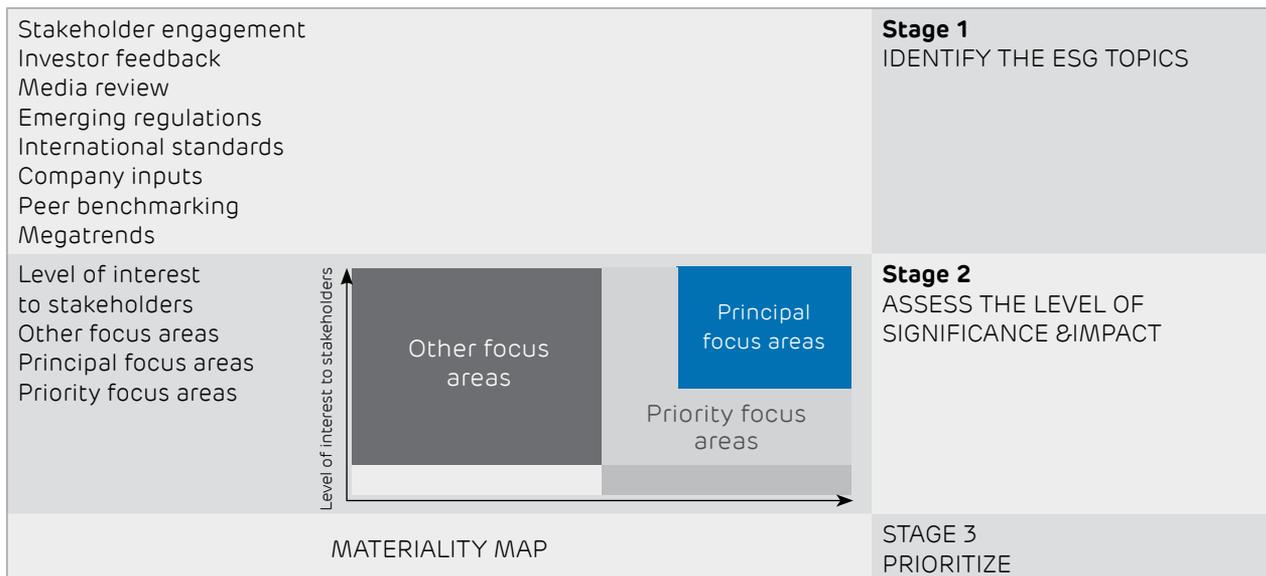
**Prioritise**

We prioritise issues in the order of significance and impact to create an ESG agenda and also the content of our reporting. Some issues have shifted in importance.

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### Top three material topics

<p><b>Human rights (Medium-term, social)</b></p>	<p><b>Climate change: long-term, environment)</b></p>	<p><b>Biodiversity &amp; land use: medium-term, environment</b></p>
<p>Human rights form a part of our social pillar, gaining in prominence, reflecting the significance of Covid-19 pandemic</p>	<p>and the inequalities highlighted by external factors. The material issue of climate change, biodiversity and land use continue</p>	<p>to be a priority, reflecting the growing evidence of likely impacts on business and society.</p>

### Other material topics

<p>Occupational Health &amp; safety (short-term, social)</p>	<p>Natural resource conservation (long-term, environment)</p>	<p>Community relations (short-term for new projects, medium for operational projects, social)</p>	<p>Availability of skilled talent (short-term, Social)</p>
<p>Employee engagement &amp; well-being (short-term, Social)</p>	<p>Vendor relations (medium term, Social)</p>	<p>IT &amp; Cybersecurity (short-term, Economic)</p>	<p>Social infrastructure availability (long-term, Social)</p>

### Materiality trends

Material issues impact our ability to enhance stakeholder value. A short-term shift in priorities was observed following the pandemic, wherein material aspects like cybersecurity, availability of skilled manpower, vendor relations as well as labour relations became prominent. 'Vendor Relations' and 'Availability of Skilled Manpower' increased in importance, owing to higher expectations for APSEZ to support vendors that operate within our premises and mass migration of the workforce leading

to the non-availability of skilled manpower during the pandemic. Employee well-being became more prominent, reflecting issues highlighted by the Covid-19 pandemic and general shifts in stakeholder views and market forces. Work-from-home put cybersecurity at risk considering the prospect of data breaches following confidential data flow across online pathways. Social infrastructure availability leveled down as a consequence of movement restrictions during

COVID-19. Besides, 'Community relations' remained high on our list on account of rising APSEZ expectations to provide services to the community coupled with natural resource conservation (among other important concerns of stakeholders influencing our sustainability performance).

### Backing our business operations during the COVID-19 pandemic

The Indian economy continued to witness an exogenous shock in the form of the COVID-19 pandemic. India's policy response of effecting a complete lockdown to contain the spread of the coronavirus resulted in restrictions on the movement of goods across India, including ports and logistic-based transport volumes. However, as the economy unlocked, incremental and sustained recovery materialised in key economic parameters.

APSEZ suffered (along with competition) through slow business during successive lockdowns. APSEZ incorporated business continuity actions to ensure that the Company operated with minimal disruption. Business contingency strategies and measures were implemented. The lockdown provided APSEZ with an opportunity to reflect on commitments to SDGs. During this crisis, APSEZ came across challenges comprising the availability of a sufficient workforce to operate sophisticated ports equipment, shortage of labourers for port operations, port cargo

evacuation as well as challenges in the free movement of people and machines to operations and construction sites. The Company's proactive stakeholder management approach enabled it to implement short-term responses to put the business on track. The Company believes that a robust system and framework towards SDGs developed over the past few years helped it rebound with speed. The Company's peaceful coexistence with neighboring communities helped address the need for labour when a majority of the migratory labor returned home. The Company stuck to its Labor Dignity principle, where facilities were provided to labourers. Standard operating protocols ensured that pandemic transmission risks were minimised. The complete sanitisation of all workplaces and operations was ensured. The introduction of 100% thermal scanning minimised risks; an awareness campaign was organised through online platforms. To avoid workplace overcrowding, the Company segregated core and non core staff activities (several employees were asked to work from home). The Company ensured that

the administrative workforce occupancy did not exceed 30%. At workplaces, all possible measures were taken to curb disease spread. To boost immunity, online yoga classes were started for employees; in the office, ayurvedic *kaadha* was provided to build immunity. Efforts were made to facilitate a contactless workplace, where sensors were installed across locations to avoid physical contact. The Company took care of transporters, contractors, vessels operators and other customers. The 750-bed G.K. General Hospital in Bhuj added a fourth medical oxygen plant, ensuring uninterrupted oxygen supply to patients. Adani Foundation donated ₹100 crore to the PM Cares Fund in addition to resources directly spent to address the affected.

Adani Logistics led groupwide supply chain and logistics management for Covid-19 vaccination pan India, covering 100,000 Km. Vaccinations were carried out across 48 hubs; the deployment was controlled through a central command and control centre in the Adani corporate headquarters.

### ESG outlook

APSEZ's ESG outlook is aligned with what we do and where we intend to go as a Company. Our desire is to be a leader in managing risks and operations. There is a global shift in mainstreaming ESG practices. APSEZ believes in a growth narrative that contributes to the social welfare of communities reconciled with business growth. APSEZ is committed to become carbon-neutral by 2025. The Company is aligned with various commitments linked to a social license to operate, climate change, employee well-being and ecosystem preservation.

### Our ESG approach

APSEZ's ESG strategy is based on the premise that sustainable value creation is not just beneficial for the Company but the entire value chain. We aligned our strategy to encompass the guidance of national and international standards, frameworks, guidelines and commitments viz. TCFD, UNGC principles, NGRBC, GRI standards, IIRC, BRSR, SDGs and IBBI etc. The implementation of ESG principles starts from conceiving the project and continues through the life cycle of the business. Material ESG topics are prioritised across all business stages. The

setting and implementation of targets are prioritised, backed by an appropriate policy framework, approved by the Board of Directors and relevant Committees. Addressing stakeholder concerns and responding to the voice of various stakeholders, internal as well as external, are important to our ESG approach. We fulfill these through continuous stakeholder consultations and grievance redressal initiatives. We make transparent and accurate disclosures of our ESG performance. APSEZ participates in disclosures like CDP, S&P Global's Corporate Sustainability Assessment; these initiatives are

captured through our integrated report, dashboards and other publications or forums. To keep disclosures transparent and accurate, we follow a robust assurance process.

**Goals and targets**

APSEZ’s reporting boundary includes ports, logistics, dredging and other businesses. We have set ESG goals and targets for APSEZ that is to be achieved by 2025 (please refer ESG targets and performance). Some of these targets will help us achieve carbon neutrality by 2025.

**Strategic oversight of ESG**

At APSEZ, we have a clearly defined governance structure to ensure Board level oversight, and

management of our sustainability agenda and ESG priority areas across our ports and logistics business. This provides a flexible channel for the flow of information, decision making, management and oversight of ESG from strategic business units up to the Board level.

The Board, supported by Corporate Responsibility Committee (CRC), Corporate Social Responsibility Committee (CSRC), Stakeholder Responsibility Committee (SRC) and Risk Management Committee (RMC), monitors performance, adherence to the standards and risks in the organisation. Our Board is underpinned by a Corporate Responsibility Committee (CRC), which possesses the responsibility for overseeing the implementation

of the ESG Strategy and policies, including the management of transition risks. Members of the CRC are responsible for delivery against ESG targets.

Management of ESG priorities is embedded across business areas, corporate and business unit level, flowing from the Board. At the corporate level, we have a CRC, responsible for reviewing performance against environmental and social metrics and developing a strategy. The ESG team develop the Company’s ESG agenda and support business functions in driving implementation. Business functions are responsible for the implementation and execution of the ESG agenda, tracking and monitoring performance.



## Management approach

### Policies & guidelines

At APSEZ, our policies are endorsed at the Board level and aligned with international standards. The policies support the effective identification, management and mitigation of ESG risks, opportunities and impacts for our business. We implemented policies which comprises our commitment to operate the business sustainably.

Name of Policy	Details	Stakeholder Groups Coverage	Board Committee
Environmental Policy	Environmental and climate objectives and targets	Employees Suppliers Customers Governments	Corporate Responsibility Committee Corporate Social Responsibility Committee
Energy & Emission Policy	Energy and carbon mitigation strategies	Employees Suppliers Customers Governments	Risk Management Committee
Water Stewardship Policy	Fresh water footprint, waste water treatment	Employees Suppliers Governments	
Corporate Social Responsibility Policy	Improve lives through Integrated & Sustainable Development	Communities Governments	Corporate Social Responsibility Committee
Occupational Health & Safety Policy	Safe and healthy workplace; prevent occupational illness and injury	Employees Suppliers Customers	Corporate Responsibility Committee
Human Rights Policy	Prevention of child labour & forced labour, employee workplace harassment and discrimination	Employees Communities Suppliers	Stakeholders' Relationship Committee
Related Party Transaction Policy	Approval, disclosure and reporting requirements for related party transactions	Shareholders	Audit Committee Nomination & Remuneration Committee
Dividend Distribution & Shareholder Return Policy	Dividend payout	Shareholders Investors	Stakeholders' Relationship Committee Risk Management Committee
Nomination & Remuneration Policy	Qualification and remuneration of directors and senior management	Directors Investors	
Code for Fair disclosure of UPSI	Procedures for fair disclosure of unpublished price sensitive information	Investors	

We recently updated our policies on Diversity and Inclusion, Sustainable Procurement, Information Security and Working Hours in line with global best practices and fulfilled our commitment towards ethnic and gender diversity, supply chain responsibility, information protection and employee health and well being. We will continue to enhance our ESG policies in sync with evolving global best practices and requirements.

### Management systems supporting implementation of ESG

The Integrated Management System (IMS), comprising quality, environment and occupational health & safety, supports the setting up of roles, responsibilities and reporting process. This applies to all units of APSEZ, including joint ventures, partners, customers and suppliers, based on legal requirements, internal policies and standard operating procedures.

All our operating ports and two joint ventures (AICTPL and ACMTPL) are certified with IMS (Quality Management System (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018), Energy Management System (ISO 50001:2018). Three ports are ISO 28000:2017-certified (Security Management System for Supply Chain).

<sup>1</sup> <https://www.adaniports.com/Investors/Corporate-Governance>

Our dredging company SSIDL and harbouring company TAHSL are certified with IMS.3 Logistic. Sites (Kishangarh, Patli, Mallur) are certified with IMS, comprising (Quality Management System (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018) All our operating agri-logistics sites are certified with Food Safety Management systems (ISO 22000:2018).

We rolled out ISO 27001:2013 – Information Security Management System (ISMS) across sites in line with our information security policy. At APSEZ, all business heads/department heads are directly responsible for ensuring a compliance with our information security policy in their respective businesses. Regular training on Information Security is provided to all employees and wherever applicable to third parties e.g., sub-contractors, consultants,

vendors etc. to ensure that we comply with all the audit, legal, statutory, regulatory, and contractual requirements about information security.

We deploy extensive multi-level training programmes with cross-functional teams to ensure that policies, implementation and a sharing of best practices occurs continuously. Beyond knowledge sharing, various avenues for employee motivation to perform on ESG are also explored. Rewards, awards and monetary incentives are built into our system. For instance, variable pay components for certain employees are incorporated into our safety performance, energy performance and water management.

**Monitoring**

Sustainability Information Management System (SIMS) assists in decentralising data input and enables the regular assessment of performance and progress by designated persons.

Monitoring is carried by the site team and HQ ESG teams – the core committees on the site and HQ - on a monthly basis, with a periodic reporting of performance on most indicators to the senior management and quarterly basis to the Board and external stakeholders.

**Audit and Assurance**

The audit of performance, in conformity with applicable laws and regulations, is important. We determine the effectiveness and efficiency of our sustainable operations in compliance with ISO 14001 Environment Management System and other certifications. While the IR Class conducts annual environmental audits for APSEZ, a sustainability assurance is conducted half-yearly by EY. We are also engaged in the internal audit of operations every six months.



**Social & environmental due diligence – ESMS & ESMP implementation in progress**

In today’s global economy, environmental and social responsibility are critical. Environmental and social management system (ESMS) assists businesses in integrating plans and standards into core operations, allowing them to anticipate environmental and social risks posed by their activities and avoid, minimise and compensate for such impacts. A good management system provides for consultation with stakeholders and means for addressing concerns from

workers and local communities. Consequently, APSEZ adheres to IFC Performance Standards by the World Bank during construction, operation, decommissioning and also for mergers and acquisitions.

We developed Environment & Social Management Plans (ESMPs -aligned with IFC PS) and are in the process of implementation of these, covering all environment & social aspects for our operational ports in a phased manner. We continued Supplier ESG assessment where environmental KPIs such as energy use, water use, efficiency, fuel consumption and Social KPIs like occupational health & safety, human rights

etc. are a part of the evaluation process. Suppliers and vendors who work in our premises are regularly monitored to ensure that they operate in compliance with environmental laws, company policies and commitments. Vendors are graded on their ESG performance and action plans developed to help them improve. Suppliers with an overall score of more than 90 are recognised, which encourages others to emulate. More details on supplier engagement & assessment can be seen in the Responsible Supply Chain section of this report. Customers are required to follow The Berthing Guidelines, which

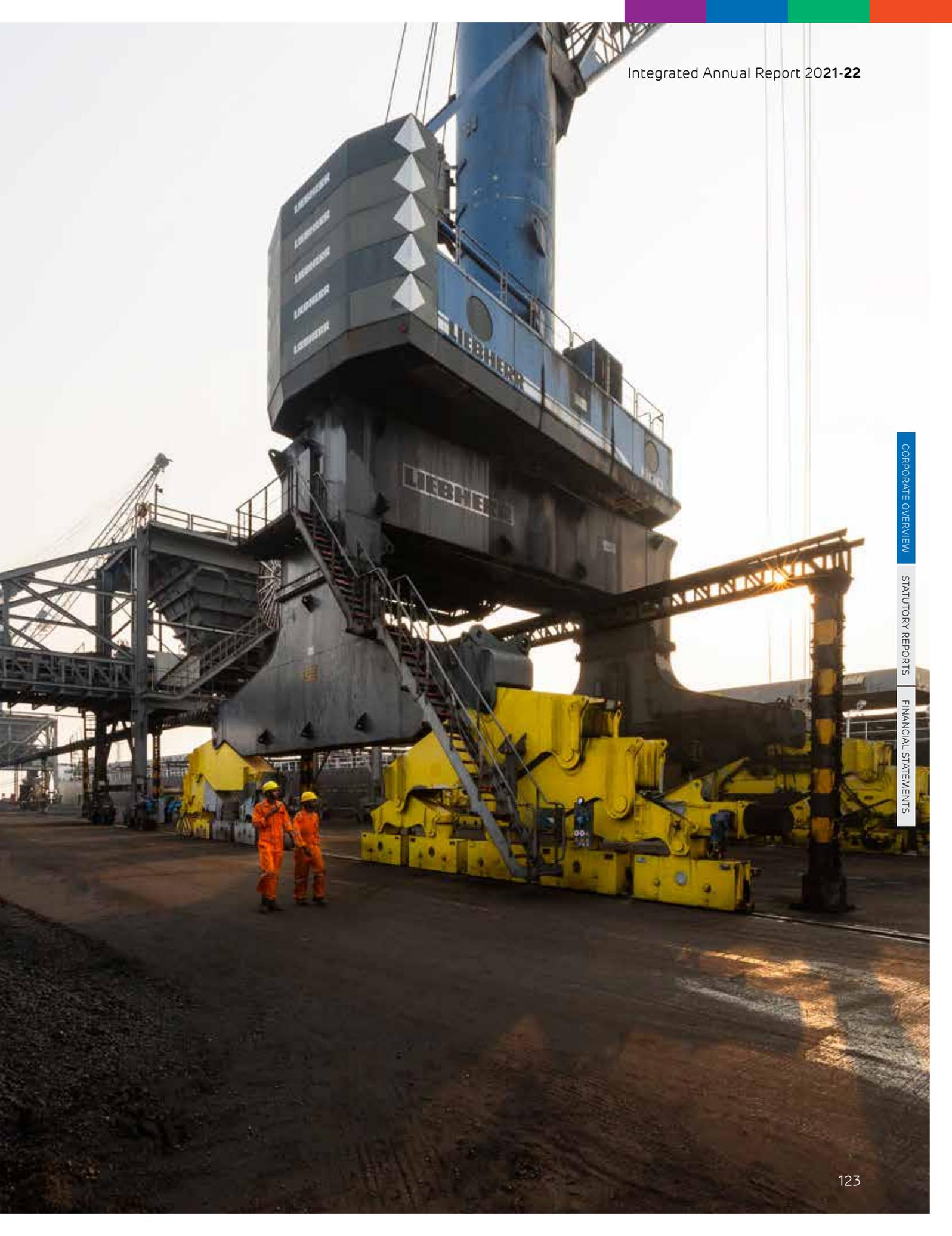
provide guidance on the efficient provisions of pilotage services and set out agreed operational parameters, environment & safety measures endorsed by the Marine Department. We ensure that our customers - shipping lines -

comply with the Environmental Protection guidelines issued by the Marine Department. Environment protection is a shared responsibility of our customers who have a significant impact on marine biodiversity.

**Our guiding focus**

We track our performance against several ESG-related ratings and rankings. In each of the following areas, we continue to outperform or are comparable to our peers.

	<ul style="list-style-type: none"> <li>• APSEZ participated in CDP annual disclosures for climate change and water security.</li> <li>• In CDP Disclosure 2021, APSEZ Scored 'B' for Climate Change and 'B' for Water Security. APSEZ also received 'A-' in the Supplier Engagement Rating.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is participating in DJSI Corporate Sustainability Assessment.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ committed for Science Based Targets initiative – Business ambition for 1.5 degree Celsius.</li> <li>• APSEZ is in the process of setting the target and submitting it for validation.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ aligns its ESG activities with the United Nations Sustainable Development Goals (SDGs).</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ signed up for India Business &amp; Biodiversity Initiative.</li> <li>• APSEZ submitted its first progress report in 2020.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is a member of the Climate Ambition Alliance, committed to net zero emissions by 2050.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is a supporter of the Task Force on Climate Related Financial Disclosures.</li> <li>• The Integrated Annual Report FY 2021-22 is aligned to TCFD recommendations.</li> <li>• APSEZ will publish its TCFD report in 1H FY 2022-23</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is a member of International Union for Biodiversity Conservation. (IUCN LfN India)</li> <li>• APSEZ is enhancing awareness among employees across its sites through IUCN - Leaders for Nature.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is a member of United Nations Global Compact and committed to conduct all the activities in alignment with the 10 Guiding Principles.</li> <li>• APSEZ will submit the first communication on progress in August, 2022.</li> <li>• APSEZ is a member of United Nations Global Compact and committed to conduct all the activities in alignment with the 10 Guiding Principles.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ is endorsing United Nations CEO Water Mandate.</li> <li>• APSEZ will submit the first Communication on Progress in 2022.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ developed Environmental and Social Management System in alignment with IFC's eight performance standards.</li> <li>• APSEZ developed site-specific management plans which is under implementation across the sites.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ aligns its ESG reporting framework with GRI standards.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ publishes its annual disclosure as per the IIRC framework.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ submits the Business Responsibility &amp; Sustainability Report (BRSR) as part of Integrated Annual Report.</li> </ul>



Our discipline 

# APSEZ: How we have created a progressively de-risked operating model, ensuring business sustainability

FINANCIAL STATEMENTS

STATUTORY REPORTS

CORPORATE OVERVIEW

## Overview

The world is marked by unforeseen developments like economic downtrends, uncertain trade flows, restoring of industries, geopolitical events, trade wars, pandemics and other uncertainties. These events could have an adverse impact on the Company's reputation, brand, financial condition and operations, hindering its peaceful co-existence with society. There is also a growing investor

recognition that profit protection must precede growth

The result is a greater priority on comprehensive risk management and mitigation, warranting an investment of time, competence and organisational priority. The objective of this de-risking commitment is to protect business viability during periods of economic weakness and generate a vigorous rebound during recovery. At APSEZ, we are committed to guarantee that we

constantly monitor the potential threats and opportunities that we could face to ensure that we remain resilient. We aspire to stay ahead of the curve when it comes to effective risk management. This commitment to comprehensive de-risking has been drawn from the deep multi-decade Adani Group commitment to de-risking. The Adani Group de-risking philosophy has been centred across the following principles:

Engaged in business marked by flow management (cargo, resources, people, and power)	Presence in sectors with large operating headroom	Recognition that growth represents effective de-risking	Sustain growth even during periods of economic slowness
Grow at the lowest cost, strengthening any-market competitiveness	Grow with corresponding checks and balances, enhancing business predictability	Investment in business enablers that enhance nimbleness	

## Institutionalised risk management framework

At APSEZ, we believe that business sustainability is derived through the identification of probable business downsides coupled with proactive safeguards. This aspect is gaining increased relevance in a world

where businesses and realities are marked by a larger number of uncertainties (Black Swans). The more competently we manage these risks, the stronger our capability to weather the unforeseens. Over the years,

the Company has instituted a systematic risk management approach. This comprised the creation of a Group level Risk Management Team to appraise changes in the external and internal business environments as

an when they transpire (real-time) and implement counter measures. However, in the recent past, the Company institutionalised an Enterprise Risk Management (ERM) framework. This includes the creation of risk management

teams at different decision making levels. From the executive team, business risk management is the responsibility of ESG Head (Chief Risk Officer) with the reporting to CEO-APSEZ to ensure independence from other

functions. ERM follows 'bottom-up' and 'top down' approaches for effective risk management. The ERM tool comprises the following features:

- Overall location and Company level dashboard
- Category wise risk dashboards with impact
- Generation of heat maps for each user and function
- Risk trends report & Risk severity charts with overall risk severity mapping (H-M-L)
- Location-wise severity
- Bubble charts used to examine impacts and the likelihood of risks on a quarter-to-quarter basis
- Risk severity in risk registers based on a colour coding system
- Access to management users
- for viewing dashboard for locations and central functions
- Audit trail kept at each level of design
- Auto alerts of risk cards at defined frequency to risk owners and chief risk officers.

We extended our understanding of risks from the strategic and macro to the micro – right down to the ground operating level. In doing so, the Company widened risk understanding from the Board to the employee level, creating a culture of

preparedness. These risks have been addressed through an institutionalised approach based on our longstanding experience, engagements with stakeholders and insights of our Board members. The responsibility of highlighting risks has been vested

with employees based on their circle of competence while the responsibility to design counter risk initiatives has been vested with the senior management and a specific committee within the Board.

**Our risk management discipline**

<p><b>Risk identification</b></p> <p>Risks are continuously identified and reported using templates and tools</p>	<p><b>Risk assessment</b></p> <p>Identified risks are analysed and assessed to determine triggers, impact and likelihood</p>	<p><b>Risk recording</b></p> <p>Key risks are established, prioritised and documented and risk owners are appointed</p>	<p><b>Risk mitigation</b></p> <p>Risk mitigation action plans are prepared and implemented across the affected businesses</p>	<p><b>Risk monitoring</b></p> <p>Development of key risks and mitigation actions are monitored by risk deep dives and reporting</p>
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**Risk management system**

In FY 2021-22, APSEZ continued to strengthen its comprehensive system to promptly identify risks, assess their materiality and take measures to minimise their likelihood and losses. Risk management was applied across all management levels and functional areas. Risk management roles were distributed across the Executive Management, Risk Management Committee and Audit Committee.

**Key roles and responsibilities**

The Executive Management and/or Risk Management Committee performed the following functions in FY 2021-22:

- Periodic review and approval of various business proposals for their corresponding risks and opportunities.
- Provided guidance over risk supervision, risk assessment and risk management.
- Developed risk assessment and

measurement systems.

- Established policies, practices and other control mechanisms to contain risks.
- Reviewed and monitored the effectiveness and application of risk management policies, related standards and procedures.
- Reviewed and identified risks in the area of cyber security and management

**Implementation**

During the period under review, the Risk Management Committee held four meetings. The Company's Board-approved Risk Management Policy comprised material risks faced by the Company that were identified and assessed. The Company

set up a policy framework for ensuring better management of risk profile. The Company provided importance to prudent project (conceptualisation, implementation and sustenance) practices, putting in place suitable risk mitigation measures. The risk management framework

of APSEZ sought to minimise the adverse impact of risks on key business objectives and enabled the Company to leverage opportunities. The Company designed and operated its risk assessment model that factored quantitative and qualitative information.

**The prominent risks and responsibilities as estimated by the Board Committee**

Risk	Nature of risk	Strategic objectives impacted	Responsible Executive Management Team
Industry risk	External	Ensures financial flexibility; maintains long-term optionality	Business Development Head of each SBU & Team
Technology risk	Operational	Focuses on people, planet and prosperity; optimises overheads, costs and capital expenditure; Improves portfolio quality	IT Head (CDO) and IT & Data Security Committee
Political risk	External	Ensures financial flexibility; maintains long-term optionality	Site CEO's office, CEO's office and corporate affairs
Regulatory risk	External	Improves portfolio quality; maintains long-term optionality	Regulatory team
Competition risk	External	Ensures financial flexibility; maintains long-term optionality	Site CEO's office and business team
Geographic focus risk	Strategic	Optimises overheads, costs and capital expenditure; Improves portfolio quality; maintains long-term optionality	Site CEOs, COO and APSEZ CEO
Climate risk (physical & transition)	Operational	Focuses on infrastructure vulnerability, competitiveness, people, safety and resource availability (water and power); optimises overheads, costs and capital expenditure	ESG team and CEO APSEZ
Land availability risk	Strategic	Focus on people, safety and sustainability; optimises overheads, costs and capital expenditure; Improves portfolio quality; maintains long-term optionality	Strategy team, land team and projects
Timely project commissioning risk	Operational	Optimises overheads, costs and capital expenditure; improves portfolio quality; maintains long-term optionality	Operations head of each SBU

Risk	Nature of risk	Strategic objectives impacted	Responsible Executive Management Team
Human rights risk	Strategic	Focus on people, planet, and prosperity, Maintains long-term optionality	ESG team
Debt repayment risk	Strategic	Ensures financial flexibility; optimises overheads and capital expenditures; Maintains long-term optionality	Head, Finance
Returns risk	Strategic	Ensures financial flexibility; Maintains long-term optionality	CEO's office
Liquidity risk	Strategic	Ensures financial flexibility; Maintains long-term optionality	Head, Finance
Controls risk	Operational	Focuses on people, safety and sustainability; Optimises overheads, costs and capital expenditure; Improves portfolio quality	CEO's office



**The mitigation of the most prominent risks, FY 2021-22**

In FY 2021-22, APSEZ proactively worked on mitigating key risks to reduce residual risk levels. Efforts were invested in every decision-making platform, operating site and business to mitigate risks identified. The COVID-19 pandemic-related risk was effectively handled across APSEZ through proactive strategies, which reflected on overall operating and financial performance.

Risks & their description	FY 2021-22 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
<p><b>Political risk:</b> This comprises the risk of a change in the government that could review existing policies</p>	<ul style="list-style-type: none"> <li>Major Port Authorities Act 2020: The Govt. of India introduced the Major Port Authorities Act 2020 to increase participation of the private sector in port industries. Major Port Authorities Act also provides freedom to port authority/ PPP operator to fix tariff. It confers power to the port body to raise loans and issue securities for developments. This Act will increase competition in the Indian ports sector.</li> <li>A review of existing policies could affect sectorial and corporate prospects.</li> </ul>	Stable	<ul style="list-style-type: none"> <li>The Indian government announced a number of long-term policies that enhanced the relevance of the ports and logistics sectors in India.</li> <li>Through Major Port Authorities Act 2020, APSEZ is also pursuing an opportunity to engage in major port terminals to increase its presence across the Indian coastline and offer services to customers.</li> </ul>

Risks & their description	FY 2021-22 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
<p><b>Regulatory risk:</b> The business is marked by permissions and restrictions across countries that could affect trade flows.</p>	<ul style="list-style-type: none"> <li>• This could potentially translate into censure and operational slowdown.</li> <li>• This could affect the Company's credit-rating.</li> <li>• Other policies-related risks like environment protection etc.</li> </ul>	<p>Low</p>	<p>We have positioned ourselves across products, customers and markets that address a growth in humankind's needs for better living. We believe that regulation in a core industry can streamline a largely unorganised sector, widening the market size and opportunity.</p> <p>APSEZ strategies are in line with the national direction as far as infrastructure investments are concerned.</p> <p>We developed a proactive in-house team to detect changes in the policy domain that could affect our performance. APSEZ takes necessary corrective actions based on policy related market intelligence.</p>
<p><b>Competition risk:</b> The business could attract a sharp increase in competitive ports for cargo</p>	<ul style="list-style-type: none"> <li>• Pressure on pricing.</li> <li>• Increased competition could affect growth and margins</li> </ul>	<p>High</p>	<ul style="list-style-type: none"> <li>• The Company developed a pan-India presence to serve customers across India. None of the other competing players possess this capability in India.</li> <li>• At many places we engaged customers for ports volume like power plants and vegetable oil refinery, which provide a competitive advantage over other ports.</li> <li>• APSEZ is an integrated player offering ports and logistics service (E2E) to various customers through their strategic assets like ports, terminals, MMLP, different types of rakes, IWT, grain silos. None of the Indian players possess as diverse a capability in India.</li> <li>• The Company is the largest Indian private commercial port operator with the lowest operating cost.</li> <li>• The Company established a respect for taking the business of its customers ahead.</li> </ul>
<p><b>Human rights risk:</b> Being complicit in human rights risk violations could negatively impact reputation</p>	<ul style="list-style-type: none"> <li>• This could potentially translate into censure and operational slow down.</li> <li>• This could affect the Company's credit-rating.</li> <li>• This could impact company's reputation and ability to raise capital from ethical sources</li> </ul>	<p>High</p>	<p>In order to ensure intentions are turned into results, APSEZ, in 2021, revised its human rights playbook to include - ESG due diligence for all offshore mergers &amp; acquisitions, as well as greenfield projects. The Company will also conduct:</p> <ul style="list-style-type: none"> <li>• A participatory human rights survey with community and other key stakeholders to capture risks and perceptions related to human rights violations.</li> <li>• A Social Impact Assessment to mitigate risks related to human rights and people care at the planning stage.</li> </ul> <p>The Company will conduct regular engagement surveys with key stakeholders and impact assessment of key community initiatives undertaken.</p>

Risks & their description	FY 2021-22 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
<p><b>Cyber-attack risk:</b> APSEZ is progressively moving towards digitisation, online platform developments and other similar IT initiatives. Hence data breach and cyber-attacks need to be prevented.</p>	<ul style="list-style-type: none"> <li>• Supply chains continue to be digitalised, with growing traction of electronic booking platforms.</li> <li>• Cyber attacks could adversely impact business functions comprising financial losses, loss of customer confidence, reputational damage and operational accident.</li> <li>• APSEZ has invested heavily to protect the Company from cyber-threats</li> </ul>	High	<ul style="list-style-type: none"> <li>• Constitution of Information Technology &amp; Data Security Committee</li> <li>• Implementation of Information Security Management System (ISO 27001)</li> <li>• APSEZ mitigation plan included a cyber security program, SOP across functions, cyber security awareness programs to employees and the development of business continuity plans.</li> </ul>
<p><b>M&amp;A strategy risk:</b> There is a premium on the need to develop a successful Mergers &amp; Acquisitions (M&amp;A) strategy to fulfil our growth aspirations through inorganic growth acquisitions</p>	<ul style="list-style-type: none"> <li>• Failure in concluding acquisitions could lead to financial, brand, reputation and other risks.</li> </ul>	Low	<ul style="list-style-type: none"> <li>• APSEZ has holistically analysed each M&amp;A target with a set SOP format.</li> <li>• APSEZ developed a standard framework for acquired assets, which includes the integration of functions and operations.</li> <li>• Constitution of a Merger &amp; Acquisitions Committee</li> </ul>
<p><b>Geographic focus risk:</b> The business focus on select geographies could expose it to risks of change in weather patterns.</p>	<ul style="list-style-type: none"> <li>• Extreme weather patterns like cyclone impacting port operations.</li> <li>• This could moderate operational competitiveness.</li> <li>• This, in turn, could affect stakeholder confidence.</li> </ul>	Low	<ul style="list-style-type: none"> <li>• We developed site-specific disaster management plans &amp; carried Climate Vulnerability Assessment and prepared adaptation plan to address challenges.</li> <li>• The Company invested in data-based research before it arrived at the selection of stable geographies of its presence.</li> <li>• The Company has not faced any decline in asset productivity based on erratic (though fleeting) weather patterns.</li> </ul>
<p><b>Auction risk:</b> An inability to submit the lowest bids for port projects could translate into a loss of prospective revenue.</p>	<ul style="list-style-type: none"> <li>• This could stagger the Company's growth rate.</li> <li>• This could affect the Company's ability to enhance revenue visibility and corporate predictability</li> </ul>	Stable	<ul style="list-style-type: none"> <li>• The Company developed a robust techno-commercial capabilities in submitting winning bids.</li> <li>• The Company was selective about bidding only for projects that promised an attractive profitability hurdle rate.</li> <li>• APSEZ's demonstrated success can be validated though its emergence as the largest Indian private sector port Company in a little more than two decades</li> </ul>

Risks & their description	FY 2021-22 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
<p><b>Land availability risk:</b> The business is land-intensive; inability to acquire the right land parcel (by size, topography, location and cost) could affect growth prospects.</p>	<ul style="list-style-type: none"> <li>• Availability of land banks across proposed developmental sites.</li> <li>• This could affect corporate growth.</li> <li>• Increased land cost could affect competitiveness.</li> </ul>	Medium	<ul style="list-style-type: none"> <li>• A centralised land management team was developed to facilitate the land acquisition process. This department helps procure land from various agencies and individuals.</li> <li>• The land team digitised the Adani group land records and developed dashboards to arrive at the real-time status of APSEZ properties. This enables quick decision making for development projects</li> </ul>
<p><b>Project management risk:</b> An inability to commission projects on schedule could affect the Company's reputation and market standing.</p>	<ul style="list-style-type: none"> <li>• Usually projects delay also incur additional cost.</li> <li>• In case-to-case projects, this also leads to punitive charges/ fines.</li> <li>• Opportunity cost loss.</li> <li>• This could stagger revenue inflow.</li> <li>• This could increase project cost and affect long-term project viability</li> </ul>	Low	<ul style="list-style-type: none"> <li>• The Company co-ordinated across resource assessment, land acquisition, construction readiness, technical studies, and supply chain management, resulting in projects being implemented quicker than the sectorial benchmark.</li> <li>• The Company drew on the Adani Group experience of having successfully implemented projects across 12 port locations in India.</li> </ul>
<p><b>Receivables risk:</b> An inability to market services to credible customers could affect receivables and revenues.</p>	<ul style="list-style-type: none"> <li>• A low revenue visibility could enhance the risk quotient of the project.</li> <li>• A higher risk project with an open revenue position could affect credit rating</li> </ul>	Low	<ul style="list-style-type: none"> <li>• The Company worked with credible customers resulting in timely cash flows and virtually no payment defaults</li> </ul>
<p><b>Debt repayment risk:</b> The business has long-term debt, any failure in repayment or servicing could affect its prospects.</p>	<ul style="list-style-type: none"> <li>• This could affect the Company's credit worthiness and its prospects of mobilising debt at a low cost for onward expansion</li> </ul>	Low	<ul style="list-style-type: none"> <li>• The Company maintains a safe buffer of more than 1.25x, adequately covering periodic payables to lenders in the next 12 months</li> <li>• The average tenure of the long-term debt on the Company's books increased; debt cost declined in FY 2021-22.</li> <li>• The Company was accorded IG rating, the highest within India's ports sector.</li> </ul>
<p><b>Currency risk:</b> The Company's debt repayment could be stretched by adverse currency movements.</p>	<ul style="list-style-type: none"> <li>• The quantum of forex debt to be repaid could increase beyond the projected figure.</li> </ul>	Medium	<ul style="list-style-type: none"> <li>• The forex-linked revenues have provided 2.3x cover over forex debt obligations. The trend is expected to continue.</li> </ul>

Risks & their description	FY 2021-22 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
<p><b>Locational risk:</b> The Company could invest in the wrong port location, a risk that is virtually impossible to correct.</p>	<ul style="list-style-type: none"> <li>• APSEZ has a robust framework for the evaluation of new business opportunities at any location. All port site selection has been done through this mechanism.</li> <li>• The Company could be affected by a decline in investment payback that could affect overall margins. § The risk could affect the Company's brand and organisational morale.</li> </ul>	<p>Low</p>	<ul style="list-style-type: none"> <li>• The Company conducted extensive studies across port establishment costs, cargo throughput possibilities and hinterland development prospects to arrive at an informed investment decision.</li> <li>• APSEZ actively engaged with all relevant stakeholders for business sustainability.</li> <li>• All the Company's investment decisions were based on a pre-tax 16% IRR hurdle rate.</li> <li>• The robustness of the Company's decision-making capability was reflected in each port being profitable and growing year-on-year.</li> </ul>
<p><b>Demand risk:</b> There is a risk that emerging cargo demand from a port may not materialise the way once forecasted.</p>	<ul style="list-style-type: none"> <li>• Due to the pandemic, port volumes witnessed an overall reduction across India.</li> <li>• Energy-related commodities especially thermal coal, crude and POL witnessed the highest decline in cargo volumes.</li> <li>• Erratic demand patterns can affect port utilisation and revenue predictability</li> </ul>	<p>High</p>	<ul style="list-style-type: none"> <li>• APSEZ developed most of its port portfolio as a multi-commodity managing locations, minimising risks related to over dependence on a specific cargo type.</li> <li>• Container cargo is one of the highest growth commodities in India; APSEZ developed container terminals across the Indian coastline to address this opportunity.</li> <li>• APSEZ added growth commodities like LNG and LPG in its basket at key ports, in line with India's aspiration to become a gas-based economy.</li> <li>• Each of the Company's port locations was selected judiciously based on a relatively under-explored demand pattern that has only grown over time.</li> <li>• The Company selected to deal in a cargo mix whose relevance is only likely to increase in a growing and prosperous India.</li> </ul>
<p><b>Projects risk:</b> There could be a delay in the commissioning of greenfield or brownfield capacity</p>	<ul style="list-style-type: none"> <li>• A delay in commissioning could affect customer service, payback tenure and return ratios.</li> </ul>	<p>Low</p>	<ul style="list-style-type: none"> <li>• APSEZ has learnt a lot from two decades of diverse project execution experience. Learnings from the past have been inculcated in the decision-making criteria for new projects. We developed a robust mechanism for contractor selection, tender document preparation, estimation, value engineering and vendor development.</li> <li>• APSEZ developed an efficient project delivery system without compromising cost, time, quality and ESG standards.</li> <li>• The Company possesses one of the most competent pools in execution capabilities within India's ports sector.</li> <li>• The team demonstrated a longstanding record of outperformance - commissioning projects in short tenures and at costs lower than the national benchmark.</li> </ul>

Risks & their description	FY 2021-22 risk assessment & consequences	Risk movement/ trends	External stimulus and our strategic response
<p><b>People risk:</b> The Company could fail to attract or retain competent professionals.</p>	<ul style="list-style-type: none"> <li>This could affect the Company's ability to leverage knowledge, affecting its brand, productivity and profitability</li> </ul>	Low	<ul style="list-style-type: none"> <li>The Company is a preferred industry employer and for the second year in a row company was adjudged as the Best Place to Work in the Nation Builder Category.</li> <li>The Company's talent retention is the highest within its sector.</li> <li>The Company offers unmatched professional and personal growth opportunities within its sector.</li> <li>The Company believes in the continuous skill development of onboarded employees; initiatives were undertaken to create a future ready organisation.</li> <li>The Company offers its talent a superior career proposition, with a myriad of talent and capability building interventions. Empowerment in all prospects and decision-making nurtures professional growth, enhancing business responsiveness.</li> </ul>
<p><b>Environment risk:</b> The Company may find it difficult to match tightening global ESG standards</p>	<ul style="list-style-type: none"> <li>This could invite censure, criticism and the prospect of some environmentally conscious shipping liners moving their business to competing ports.</li> <li>Compliance with national laws</li> </ul>	Low	<ul style="list-style-type: none"> <li>The Company progressed on ESG, aligning with international standards and commitments (UNGC).</li> <li>The Company made extensive investments in moderating its carbon footprint and extending beyond regulatory requirements.</li> <li>The Company expects to emerge as the world's first carbon-neutral ports company by 2025.</li> <li>APSEZ follows all the norms laid by MoEF&amp;CC/CPCB/SPCB and other agencies.</li> </ul>
<p><b>Safety risk:</b> The business of cargo management, projects and transportation could be affected by low safety standards.</p>	<ul style="list-style-type: none"> <li>Low safety could affect the Company's respect.</li> <li>Human injury could affect worker morale.</li> </ul>	Low	<ul style="list-style-type: none"> <li>The Company embedded a leader-led approach across the organisation.</li> <li>The Company invested in mechanisation to enhance holistic safety.</li> <li>The Company deepened its safety orientation with an overarching safety culture, training and SOP-based processes.</li> </ul>
<p><b>Liquidity risk:</b> The Company's Balance Sheet may be stretched following increasing investment requirements.</p>	<ul style="list-style-type: none"> <li>This may affect the Company's liquidity and gearing.</li> <li>In turn, this may affect the Company's credit rating and the capacity to mobilise low cost resources for onward investment.</li> </ul>	Low	<ul style="list-style-type: none"> <li>The Company possesses adequate liquidity to fund growth without compromising Balance Sheet strength.</li> <li>The Company maintains a Net debt/ EBITDA between 3.0 x – 3.5 x, which is considered prudent and comfortable.</li> </ul>

Major controversies

Case	Actions proposed / taken
<p>Criticism over alleged complicity in Myanmar military's human rights abuses</p>	<p>APSEZ in May 2022 had announced signing of a share purchase agreement for the sale of its Myanmar asset. The sale followed the announcement towards end of October 2021, when the Company's Board, based on the Risk Committee recommendation, decided to exit its investment in Myanmar. Inputs from key minority shareholders were also a key driver in guiding the Board's decision.</p> <p>APSEZ on various occasions has clearly stated its position on zero tolerance for human rights violations and its resolve to not engage with a sanctioned entity in any form. The Company has also summarised the sequence of events in the investment approval process that clearly highlight that APSEZ's dealings were with the country's elected government:</p> <ul style="list-style-type: none"> <li>• APSEZ's subsidiary Adani Yangon International Terminal Company Limited (AYITCL) approaching the Myanmar Investment Commission (MIC) in May 2019, for the permission to construct a greenfield container terminal at the Myanmar port.</li> <li>• During this period, MIC was led by U Thaung Tun, its Chairman and Minister of Investment and Foreign Economic Relations under the guidance of Her Excellency State Counsellor Aung San Suu Kyi's National League for Democracy government administered by a civilian government.</li> <li>• The MIC facilitated the land deal, which required APSEZ to pay upfront USD 90 million for the land lease premium and USD 20,000 as an annual lease charge to the Myanmar Economic Corporation Limited (MEC). As a part of its negotiations with the Burmese government at the time it was awarding the port project, the Company required MEC to sign a Deed of Undertaking, according to which MEC agreed to comply with all laws and regulations relating to economic or financial sanctions or trade embargoes.</li> </ul> <p>After the military coup on 1st February, 2021, APSEZ condemned the military for taking over the country, and focused on following:</p> <ul style="list-style-type: none"> <li>• Given the US sanctions on MEC, APSEZ made it clear that it would not execute any financial transactions with MEC and/or any other sanctioned entities.</li> <li>• The Company also stated that the safety of its employees was a key focus area, and it was in touch with the Indian embassy in Myanmar for ensuring that all its employees were safe.</li> <li>• Considering the economic benefits of the port for the Burmese people, APSEZ through its US-based counsel, Morrison Forester LLP, approached the Office of Foreign Assets Control (OFAC) of US Department of Treasury operations, for a specific license to ensure that APSEZ was not in violation of any sanction terms (August 2021).</li> </ul> <p>APSEZ has been closely watching the developments in Myanmar since February 2021. In September / October 2021, we noticed the following:</p> <p>On 16th September, 2021, the Office of the United Nations High Commissioner for Human Rights released its assessment on the overall human rights situation in Myanmar, as well as rule of law and security sector reform since 1st February, 2021. This assessment report concluded that the coup had evolved into a human rights catastrophe that showed no signs of abating.</p> <p>On 15th October, 2021, the ASEAN agreed to bar Myanmar's military chief Min Aung Hlaing, who toppled a civilian government on 1st February, 2021 for his failure to implement a peace plan that he has agreed with ASEAN in April 2021 for ending a bloody political crisis triggered by the coup.</p> <p>Considering these developments and the continuity of sanctions imposed by the United States on MEC, the APSEZ Board, based on the Risk Committee's recommendation, decided on 27th October, 2021 to exit its investment in Myanmar before June 2022.</p> <p>After months of painstaking efforts, APSEZ concluded a Share Purchase Agreement with a buyer for the sale of its Myanmar asset in May 2022.</p>

Case	Actions proposed / taken
<p>Abbot Point Operations, Australia:</p> <p>Carmichael coal project's potential impacts on the way of life and culture of indigenous groups and a potential environment impact of the Carmichael coal project</p>	<ul style="list-style-type: none"> <li>• APSEZ never had any investments in the Carmichael mine. The mine is owned and operated by subsidiaries of Adani Enterprises Limited, which is listed on the BSE (formerly Bombay Stock Exchange).</li> <li>• In 2011 (FY 2011-12), Adani Ports company Mundra Ports and SEZ was announced as a successful bidder for a long-term lease (99 years) of Abbot Point X 50 Coal Terminal following an international competitive bidding by the state of Queensland. At the time of bidding, the port was having one fully mechanised berth and the 2nd berth was being commissioned for expanding the capacity of the terminal to 50 MTPA. The port was being operated by an entity owned by Xstrata</li> <li>• In FY 2012-13, APSEZ, based on the feedback from its minority shareholders, decided to sell (exit) its stake in Abbot Point (also called as NQXT). In FY 2012-13, the Company recorded the divestment of its equity holding (130,645,885 equity shares of A\$1 each aggregating to A\$ 130,645,885) and the entire Redeemable Preference Shares with voting rights (105,062,174 RPS of A\$1 each aggregating to A\$ 105,062,174) in the Abbot Point Terminal. Post this sale, Abbot Point (or NQXT) is no longer a subsidiary or associate of APSEZ.</li> <li>• There were no reported environmental violations from NQXT operations that caused environmental harm or negative biodiversity impacts and neither were there any infringements in the rights of the indigenous people.</li> <li>• In FY 2020-21, APSEZ, based on the feedback from its minority shareholders, also exited its stake in the Bowen Rail even before commencement of operations. The Share Purchase Agreement for the sale was signed on 25th March, 2021, and by July 2021, APSEZ had realised the "held for sale investments" amounting to USD 25 million.</li> </ul>
<p>Vizhinjam International Multipurpose Deep water Seaport, India:</p> <p>Alleged livelihood impacts from project construction; ₹941.5 million compensation partially distributed</p>	<p>Vizhinjam International Seaport is India's first port project whose environmental and social impacts during the construction phase are monitored directly by a committee constituted by National Green Tribunal (NGT). This committee was established in 2017 and reviews the project on an ongoing basis, with site visits and meetings generally held once every six-months.</p> <p>With regards to payment of compensation to the Livelihood Affected Persons (LAPs), including the ones involved in collecting mussels, the state government has been responsible for disbursing the compensation, according to the concession agreement signed with the port company. The Government of Kerala (GoK), in consultation with the fishermen, has sanctioned an enhanced livelihood compensation of ₹101.86 crore versus its earlier estimate of ₹8.55 crore at the stage of Environmental Impact Assessment (EIA). As of 31st March, 2022, the GoK has disbursed around ₹100 crore to 2640 Livelihood Affected Persons (LAPs) after completing the verification of LAPs.</p> <p>While fishermen have been compensated for the anticipated impacts on their livelihood due to port construction, the actual situation on the ground does not highlight adverse impact. An independent study from a leading tropical marine fisheries research institute - Central Marine Fisheries Research Institute (CMFRI) - confirmed that the fish catch of fishermen from the area increased during the last decade. The Central Marine Fisheries Research Institute noted that the total landings between June and November in 2011 were around 10418 tons, while in 2021, it was around 12843 tons, a 20% jump in the total fish landing.</p> <p>The NGT Expert Committee has not reported any environmental and social violations by the project. The committee on multiple occasions was appreciative of the community initiatives taken by the Adani team, which benefitted the fishermen in various ways. Adani Foundation has spent over ₹22 crores in the last few years on various initiatives, which include better school buildings, sanitation facilities for schools and nearby communities, piped water supply and RO plants to the fishing communities, upgradation of hospitals and placing of Mobile Health Care Units, SWM aero-bins, better community drainage facilities including renovation of Gangayar canal, community sports, farm school, kitchen garden promotion, evening education, SuPoshan and cancer care support.</p>

Case	Actions proposed / taken
<p>Vizhinjam International Multipurpose Deep water Seaport, India: alleged shore line erosion</p>	<p>There are multiple studies conducted by expert organisations which clearly highlight that the shoreline erosion north of the Vizhinjam Port locations (&gt;10 Km) is not due to the port construction activities but are driven by other factors, which include sand mining, groynes built by the civic authorities and the extreme weather events of the past few years.</p> <p>A 2007 study by IIT Chennai describes coastline erosion at the same locations, highlighting that the problem existed for long even before the start of port construction in 2015, and isn't due to the construction activities of this port.</p> <p>A study by L&amp;T Infra Engineering (LnTIEL) over Feb 2015-Feb 2021 has concluded that the port construction has no effect on the erosion and accretion at Valiyathura and Shangumugham, (12 Kms from north of port construction).</p> <p>The National Institute of Ocean Technology (NOIT) shoreline change study for the periods 2000-2005, 2005-2010, 2010-2015, and 2015-2018, 2018-19, 2019-20, 2020-2021, carried out using high resolution satellite imagery, noted that the spots of erosion such as Valliyathura, Shangumugham and Punthura remained unchanged (present erosion spots are the same as before the commencement of construction activity at Vizhinjam).</p>
<p>Kattupalli Port, India: Alleged environmental and biodiversity impacts from proposed port development and expansion</p> <p>Protest by local NGOs and fisher folk against the Kattupalli port expansion</p>	<p>The Ministry of Environment, Forest and Climate Change (MoEF&amp;CC) and other regulatory agencies follow a standard process to approve the expansion of any port, and the same is being adopted for the Kattupalli port. One of the key steps in the process is a detailed Environmental Impact Assessment (EIA) study based on the Terms of Reference (ToR) granted by the Ministry.</p> <p>During the process of issuance of ToR, the MoEF&amp;CC engaged with all relevant stakeholders to incorporate their suggestions/ concerns and conducted a site visit. The proposed plan for port expansion will undergo long-drawn scrutiny from various aspects including Environmental impacts, compliances with Coastal Regulation Zone (CRZ) regulations, Livelihood impacts, and other social aspects by various agencies of the Central and State government, alongside the public hearings.</p> <p>The sequence of events that transpired are summarised here:</p> <ul style="list-style-type: none"> <li>• Considering the potential, Marine Infrastructure Developer Pvt. Ltd. (MIDPL), a subsidiary of APSEZ, applied for its Revised Master Plan development of Kattupalli Port to MoEF &amp; CC on 15th November, 2018 for getting the Terms of Reference to carry out an EIA study and seek Environment &amp; CRZ Clearance.</li> <li>• Based on representations received by MoEF &amp; CC and submissions from MIDPL, the sub-committee appointed by Expert Appraisal Committee (EAC) visited Kattupalli Port, including the areas of concern, heard the concerns of local residents on 3rd and 4th June, 2019 and submitted their report.</li> <li>• After a careful evaluation, EAC recommended ToR and the same was granted by MoEF &amp; CC vide letter dated 15th October, 2020.</li> <li>• ToR, inclusive of additional studies in the wake of concerns raised by various stakeholders and representations received, were also submitted to MIDPL to incorporate/ address as a part of the EIA report.</li> <li>• Draft EIA is prepared and submitted to TNPCB for conducting Public Hearing (PH) as per the EIA notification.</li> <li>• Public hearing for Kattupalli port expansion was scheduled on 22nd January, 2021; however as per communication received from District Collector in the wake of concerns associated with ongoing COVID-19, the same was postponed, and is yet to be conducted.</li> </ul> <p>APSEZ will conduct any developmental activity only after obtaining required permissions from the concerned authorities, and development of impact mitigation plans.</p>

# Our prudent financial management





## Overview

For a large and growing business, the prudent management of financial resources is critical to ensure that sufficient funds are always available to meet debt obligations as well as growth requirements on a sustained basis.

APSEZ demonstrated a capability to build assets from scratch to scale (global) while maintaining liquidity and profitability through disciplined capital management and optimised capital structure.

APSEZ has access to wide range of investors (domestically and internationally) with an established ability to fund its growth through a combination of capital sources – i.e. internal accruals, equity issuances and mix of debt products.

## Consistent and sustainable free cash flows generation

APSEZ has been consistently generating free cash flows year-on-year (FY 2021-22 free cash flow was ₹ 5,261 crore). APSEZ is likely to reinvest its free cash to pursue plans to transition into a transport utility. APSEZ is one of the only port companies globally, which has EBIDTA margin of over 60%. This demonstrates its ability to consistently generate free cash flow, which is redeployed in growth opportunities. In the past few years, a significant part of APSEZ's growth was funded out of free cash flows, minimising its dependence on external fund raising.

## Capital allocation discipline

In line with the APSEZ's ambition to emerge as the world's largest private port company and India's

largest transport utility by 2030, the Company is required to fund growth opportunities. The capex plans of the Company are flexible and modular and can be modified in line with the external environment or internal needs. (in FY 2020-21 during the pandemic, APSEZ reduced its capital expenditure to ~₹2000 crore). The Company ensures capital discipline in two ways: Capital deployed must generate a minimum 16% pre-tax IRR at the portfolio level; debt capital to remain in the guided range of 3x to 3.5x.

#### RoCE-enhancing initiatives

APSEZ is consistently working towards improving asset productivity through various initiatives at each level of the value chain (using the latest in technologies and analytics).

#### Strategic partnerships

The Company continues to partner strategic players or leading global companies, catalysing value creation or unlocking. This helps the Company mitigate market risks and help grow without impacting credit rating (joint venture with MSC in AICTPL, joint venture with CMA CGM in ACMA, joint venture with Total SA in DLNG and Petronet LNG in Dahej and joint venture with JKH in CWIT).

#### Resource mix

APSEZ's market capitalisation of (₹1.8 lakh crore) enables it to fund growth through equity issuances or swaps. For instance, the Company mobilised ₹ 800 crore from Warbug Pincus in

April 2021 with a nominal 0.49% equity dilution. Further, the Company acquired 100% equity stake in Sarguja Rail and is on its way (subject to final approvals) to acquire 58.1% equity stake in Gangavaram Port Limited through an equity share swap. Apart from this, the Company has been consistently maintaining its Net Debt / EBITDA within its target range of 3.0-3.5x, which enables it to tap the capital markets to raise additional debt to address its growth requirements.

#### Revenue broad basing

APSEZ diversified its geographic footprint by adding ports on India's east coast, enhancing the share of east coast port capacity from 7% of its total port capacity in FY 2014-15 to 36% in FY 2021-22. The Company is broad-basing revenues by transforming from a port company to a transport utility following the addition of verticals like logistics and warehousing. This will empower the Company to provide integrated transport solutions ('Port gate to customer gate') and account for a larger share of the customer's wallet.

#### Fund large acquisitions

The access to global debt capital markets helps raise a large amount of debt in a short time and consummate large acquisitions. For instance, in July 2020, APSEZ issued USD 750 million bonds to fund the Krishnapatnam port acquisition despite a market disruption caused by the COVID-19 pandemic.

#### Liquidity management

APSEZ focuses on maintaining financial prudence by maintaining adequate liquid funds to meet any exigencies or growth needs. This helps the Company to be always ready to seize a business opportunity. In addition, this provides sufficient buffer to absorb shocks in the financial markets induced by external events (such as Covid 19 pandemic). This strategy is the cornerstone of our Capital Management Program.

#### Capital Management Policy

APSEZ believes in fiscal discipline along with growth, and accordingly, strives to maintain key credit ratio such as Net debt/EBITDA in the targeted range of (3.0 to 3.5x) on a sustainable basis. This helps the Company pursue opportunities without impacting its access to the debt capital market. In the past few years, APSEZ consistently demonstrated that it can address its growth capital needs without stretching its Balance Sheet, evidenced from its Net Debt to EBITDA ratios: 4.4x (FY 2015-16) and 3.4x (FY 2021-22)

#### Long-term resources

To provide growth resources for the long-term, APSEZ has been consistently extending its average debt maturities. In July 2021, APSEZ raised USD 750 million by issuing US dollar bonds of 20 years and 10.5 years maturity. In doing so, the Company became the first infrastructure company in India to raise 20-year funds from the international markets, demonstrating the strength of its

business model. APSEZ's average debt maturities increased from 5.2 years in FY 2019-20 to 6.6 years in FY 2021-22.

### Credit rating

APSEZ is the only Indian port infrastructure company to be accorded an Investment Grade rating by leading international rating agencies, putting its credit profile equivalent of sovereign rating of Government of India. APSEZ's investment grade (IG) credit rating provides access to international debt capital markets comprising a wide investor base. This helps APSEZ leverage dollar linked revenues by availing dollar denominated debt capital (natural hedge) and bring its cost of debt in line with global companies of a similar size and similar rating. Out of APSEZ's total long-term debt, ~73% was funded through the issuance of offshore USD bonds (~USD 3.9 billion). The IG rating also helps APSEZ mobilise financing from foreign banks in the form of external commercial borrowings and trade credits etc. at a lower cost.

### Disciplined capital allocation

APSEZ has a stated policy to invest in projects (greenfield or brownfield) which meet its benchmark requirement of minimum 16% pre-tax IRR (on portfolio level) to ensure sustained profitability.

### Foreign exchange risk management

A large part of APSEZ's revenues is derived from port operations, which includes US dollar-linked revenues. This provides a natural hedge against the borrowing in US dollar terms, providing an opportunity to access global markets for raising debt capital in dollar terms. The access to global debt capital markets offers dual advantage to APSEZ: access to a large pool of capital and range of investors; access to low-cost debt without the risk of currency fluctuations.

### Low-cost debt

The Investment Grade rating provides access to a larger pool of investors and financing products. This helps the Company negotiate better financing terms and optimise debt costs.

**A large part of APSEZ's revenues is derived from port operations, which includes US dollar-linked revenues.**

### Long-term financing

The Investment Grade rating helps mobilise debt from patient investors like sovereign funds and pension funds across 10 to 20 years.

### Shareholder reward

As per APSEZ's 'Dividend Distribution and Shareholder Return Policy', the Company promises a stable dividend (or capital return) of 20% to 25% of profit after tax. Following dividend distribution, the Company deploys the remaining funds in business growth.

## CASE STUDY



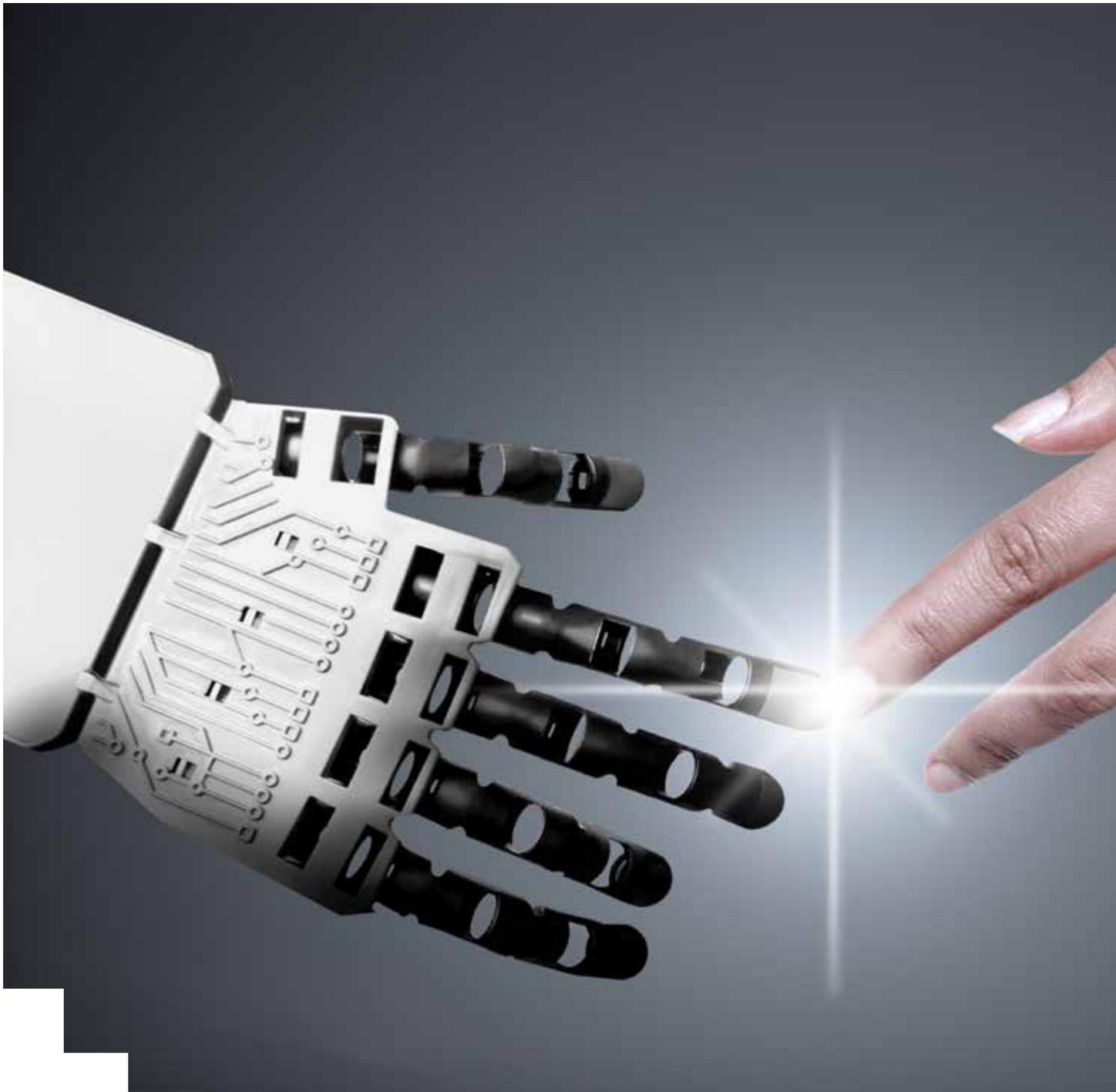
**APSEZ's July 2021 bond issuance (USD 750 million) evoked strong investor interest across US, Asia, Europe and the Middle East. The 3x oversubscription of the issuance of overseas bonds (USD 750 million) by multinational banks, insurance companies, pension funds and asset managers etc. from across the globe indicated investor confidence in APSEZ's business strength.**

# Digitalisation and cybersecurity

FINANCIAL STATEMENTS

STATUTORY REPORTS

CORPORATE OVERVIEW





### Overview

Technology has emerged as the biggest tool for industry disruption. As technologies evolve, a proactive adoption enhances competitiveness. Following the pandemic, this priority became more visible with the need to enhance workflow seamlessness, customer penetration and service.

Digital technologies are imperative for companies to stay ahead of the curve. Relevantly, digital technology has graduated beyond automation to data simulation and manipulation to derive superior outcomes. Continuous technology upgradation empowers users to proactively anticipate and respond to capitalise on opportunities, market volatility, competitive openings and customer needs.

### APSEZ and Information technology

APSEZ is a technology-driven organisation that employs prudent technology investments to moderate costs, acquire real-time information, empower informed decision-making, accelerate workflows, reinforce information security and offer employees the option of secure remote working.

The Company entered into partnerships with SAP and Microsoft, establishing information technology as the cornerstone of its futuristic strategy. A continuous upgradation of IT architecture enhanced business process efficiency and addressed market requirements.

The result is that the Company increased its competitiveness through industry best practices and the adoption of advanced technologies (robotic process automation, artificial intelligence and machine learning). The Company implemented IT-driven

projects in shortening timelines, enhancing outcomes.

The Company aims to employ digital technologies to enhance competitiveness and business transformation to fulfil customer expectations and widen market leadership. On the back of the Company's superior systems, technology and infrastructure, the Company has optimised resource allocation, maximised productivity and ensured safety and security of its business model. A complete visibility of cargo handling cycles has helped the Company plan accurately, deepen collaborations, on-demand resource assignment and timely problem resolution. The detailed information/data is shared to improve customer interactions, to whom the Company can offer full visibility of their business interest through timely, accurate and exhaustive data services. The connected experience has enhanced the Company's engagement with partners. Increased technology collaboration has reduced the time taken to implement strategies, increase productivity and enhance responsiveness to market changes in real time. The Company's approach to digital technologies will enhance a compliance with global standards and empower the Company to emerge one of the most respected utility companies in the world.

### Governance

APSEZ's Cyber Security Policy covers all aspects of cyber risk for IT and business areas. A robust governance mechanism was established to manage the cyber risk inherent in business processes and information assets through monitoring mechanisms and rigorous reviews.

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Adani-Cyber-Security-Policy.pdf>

A Information Technology & Data Security Committee was set up at the Board level, comprising Independent Directors. The Committee's mandate included the following:

- Reviewing and overseeing of the function of Information Technology in implementing the latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated
- Reviewing and overseeing of actions taken by IT and cyber teams with respect to the protection of critical data and policies for data protection and sustainability
- Overseeing the cyber risk exposure of the Company and developing future cyber risk approaches
- Reviewing annually the Company's cyber security breach response and crisis management plan
- Reviewing reports on any cyber security incidents and the adequacy of proposed action
- Assessing the adequacy of resources and suggest additional measures to be undertaken by the Company
- Reviewing cyber risks posed

by third parties including outsourced IT and other partners

- Annually assessing the adequacy of the Group's cyber insurance cover

A dedicated organisation function headed by the Chief Digital Officer (CDO), reporting to the CEO is responsible for overall management of the IT, IT System, digitalisation, and cybersecurity functions, supported by a team at the Adani Group level.

#### IT security/ cybersecurity measures

At APSEZ, business continuity mechanisms were built into the information systems by including redundancy and high availability features at multiple levels. We rolled out ISO 27001:2013 – Information Security Management System (ISMS), across all sites in line with our information security policy. Policies and procedures adhering to international standards like ISO-27001 were setup to ensure that business processes were not impacted in the case of disasters or cyber incidents. A cyber defence centre was set up, operational round-the-clock to proactively detect and respond to cyber security incidents.

**Privacy Policy:** Data privacy has been covered as part of our Cyber Security Policy, which amongst others also informs

stakeholders on how APSEZ manages data in line with the applicable regulations and best global practices. Customers and business partners are empowered to connect with the APSEZ team through email and phone on matters concerning their personal data.

**Customer Privacy Information:** APSEZ recognises that privacy is a fundamental right and is taking suitable measures to ensure that any Personal Identifiable Information is collected and processed as per laws and regulations.

*For details related to Customer Privacy Information, refer Customer Engagement Section*

A dedicated organisation function headed by the Chief Digital Officer (CDO), reporting to the CEO, is responsible for overall management of the IT, IT System, digitalisation, and cybersecurity functions, supported by a team at the Adani Group level

Sustainability 

# Building a sustainable future

## Overview

A growing number of global companies are recognising environmental, financial and reputational benefits from sustainable practices. Besides complying with environment norms, agencies are helping reduce resource depletion, water scarcity, pollution and harmful impacts on the one hand while enhancing process safety on the other.

There is a growing emphasis on aligning business existence with United Nations' 10 principles for manufacturing responsibility and environmental sustainability covering human rights,

labour interests, environment responsibility and anti-corruption initiatives.

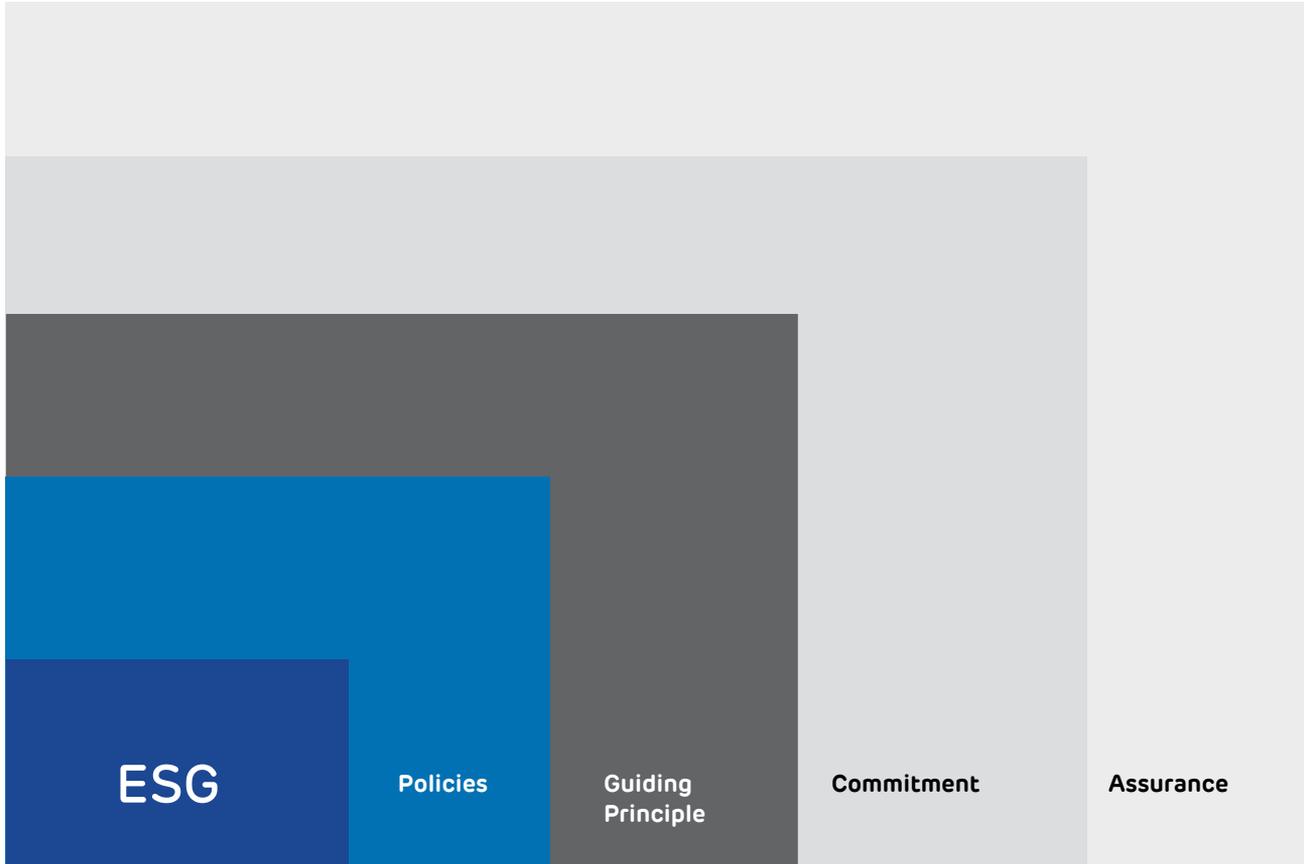
## ESG compass for the long-term

APSEZ aims to achieve targets that ensure long-term value creation, creating positive social impact for stakeholders and natural capital preservation including biodiversity while anchoring the Company's governance framework. The current operability and future ability to deliver logistical services to our customers depends upon it. A focus on ESG aspects helps APSEZ deliver value to customers who use the Company's services to import or export materials – the

society – and investors who are invested in our vision.

APSEZ has concluded that building a strong connection with broad elements of society. Compromising broader environmental and social impacts and connections with stakeholders to drive profits is a value destroyer. Therefore, we are making significant investments for longer-term payoffs, satisfying the needs of our customers, employees, vendors and communities. In believing so, we have developed a robust ESG Framework based on the core pillars of commitment, policy and assurance.





The Company is conscious of the impact of responsible resource consumption, even as we strengthen our capabilities to deliver consistent growth. As the world evolves into a more complex and hyper-connected place, the sustainability challenges the world is facing are evolving faster. We are committed to using technologies to create

efficiencies, achieve goals and address challenges. The biggest opportunities for the Transport & Infrastructure sector to create shared value – i.e., where we see the coming together of market potential, societal demands and policy action – are grouped around the themes of Sustainable Cities, Climate Action, Environment Sustainable

Initiatives and Community Partnerships. Through our operations, we touch upon 9 UN Sustainable Development Goals directly and 17 Goals indirectly. Our Sustainability Goals 2025 are aligned with the operating context of our sector and impact on various Capitals.



**ESG impact**

At APSEZ, a commitment to Environment-Social-Governance (ESG) resides at the core of our existence. Our ESG understanding is that it is not enough to do the right things, but to do them in the right ways too, reinforcing our position as a responsible corporate citizen. This commitment is important as there is a premium on the need to enhance a comprehensive ESG compliance and commitment. It is no longer important to focus on the needs of a limited number of stakeholders but to service the

aspirations of all stakeholders.

We may be engaged in the business of port and logistics services; however, our principal objectives are to enhance stakeholder trust and value. We believe that these underlying elements define as to why customers select to patronise our port and logistic services, why employees work with us, why vendors sell to us, why investors provide us the risk capital, why bankers lend and why communities support us. This trust has been reinforced through number of priorities.

Guiding principles	Disclosure standards		
United Nations Global Compact	TCFD	Policy Structure	<ul style="list-style-type: none"> <li>• Environment Policy</li> <li>• Biodiversity management framework</li> <li>• Energy and Emissions Policy</li> <li>• Water Stewardship Policy</li> </ul>
Sustainable Development Goals	GRI Standards		<ul style="list-style-type: none"> <li>• Human rights</li> <li>• Corporate Social Responsibility Policy</li> <li>• Occupational Health and Safety Policy</li> </ul>
SBTi	CDP disclosure		<ul style="list-style-type: none"> <li>• Board diversity</li> <li>• Dividend Distribution and Shareholder Return Policy</li> <li>• Related Party Transaction Policy</li> </ul>
IBBI		Focus Area-UNSDG	<ul style="list-style-type: none"> <li>• Climate action</li> <li>• No poverty; zero hunger</li> <li>• Good health and well being</li> <li>• Quality education</li> <li>• Clean water and sanitation</li> <li>• Affordable and clean energy</li> <li>• Decent work and economic growth</li> <li>• Industry, innovation &amp; infrastructure</li> <li>• Life below water, life on land</li> </ul>



**Environmental Impact**

- Climate change
- Biodiversity
- Carbon footprint
- Waste
- Water
- Air emissions
- Noise

**Social**

- Human rights
- Diversity & inclusion
- Health, safety & well-being
- Labour standards
- Community welfare
- Livelihood impacts

**Governance**

- Governance structure
- Board expertise
- Board independence
- Ethics
- Transparent reporting & assurance

Capitals	ESG risks, opportunities and impacts	Activities	Value created
<b>Natural Capital</b>    	<ul style="list-style-type: none"> <li>Carbon emissions due to energy use for operations and logistics</li> <li>Energy consumption for berthing, cargo handling, warehouse and logistics</li> <li>Water consumption for cargo handling and warehouse</li> <li>Disturbance to local ecosystem due to dredging and construction activities.</li> <li>Extreme weather events; sea level rise</li> </ul>	<ul style="list-style-type: none"> <li>Carbon emissions reduction and SBTi validated targets</li> <li>Energy conservation and efficiency improvement</li> <li>Water reduction</li> <li>Reduced or avoided use of conventional energy</li> <li>Vulnerability assessment and adaptation planning</li> <li>Accelerating renewable energy adoption</li> <li>Climate change scenario planning</li> <li>Biodiversity conservation through mangrove afforestation, grassland ecosystem restoration, development of butterfly park, conservation &amp; protection of marine mammals (turtle, dolphins etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Carbon neutrality</li> <li>Green port</li> <li>Creation of renewable generation assets</li> <li>Resilient infrastructure</li> <li>Resource augmentation</li> </ul>
<b>Social &amp; Relationship Capital</b>    	<ul style="list-style-type: none"> <li>Impact on the livelihoods of fishermen folk</li> <li>Local employment generation for people as well as service providers</li> <li>Safety of the employees, third party employees, vendors and communities</li> <li>Impact on the human rights of people associated with the Company</li> <li>Influencing adoption of sustainable practices upstream and downstream</li> </ul>	<ul style="list-style-type: none"> <li>CSR activities including support on education, health, livelihoods and infrastructure</li> <li>Human Rights due diligence of the employees, suppliers, communities</li> <li>Safety Training, Incentives and awareness sessions</li> <li>Customer engagement and policy advocacy</li> </ul>	<ul style="list-style-type: none"> <li>Social License to operate</li> <li>Economic Development of the region</li> <li>Social Infrastructure development</li> <li>Upliftment in HDI Index of the region</li> <li>Sustainable value chain</li> </ul>
<b>Human Capital</b>   	<ul style="list-style-type: none"> <li>Limited availability of talent at remote locations</li> </ul>	<ul style="list-style-type: none"> <li>Training &amp; development</li> <li>Compensation and benefits at par with the industry standards</li> <li>Diversity &amp; inclusion programs to attract talent</li> </ul>	<ul style="list-style-type: none"> <li>Increase in innovation, social well-being, equality and increased productivity</li> </ul>

## ESG targets & performance

Environmental			
			
Indicator	FY 2021-22 target	Achievement against FY 2021-22 target	2025 target
Renewable energy share	15%	131%	100%
Energy intensity reduction*	30%	127%	50%
Water consumption intensity reduction*	55%	106%	60%
Water withdrawal from non-shared resources	76%	71%	80%
Waste intensity reduction#	20%	110%	30%
Zero waste to landfill certification	6 ports	100%	12 ports
Single use plastic free sites	11 ports + 4 ICD	9 Ports (Completed) + 4 ICD (In Progress)	12 ports + 4 ICDs + 14 Agri-logistics sites
Mangrove afforestation	3200 Ha	3239 Ha	5000 Ha**
Terrestrial plantation	1000 Ha	1000 Ha	1200 Ha

\*Base year is FY 2015-16; # Base year is FY 2017-18

\*\*1We have enhanced Mangrove afforestation target for 2025 to 5000 Ha

Social			
			
Indicator	FY 2021-22 target	Achievement against FY 2021-22 targets	2025 target
Voluntary attrition	<4%	10.39%	<4%
Employee satisfaction	4.2/4.5	4.11	4.5/5
Average employee training	5 days	3.65	5 days
Supplier satisfaction	4.5/5	4.1	4.75/5
Customer satisfaction	4.5/5	4.1	4.75/5
Safety	Zero incidents	50% reduction in fatality	Zero incidents
Community based skill development programme	69000 enrollment	95103	100000 enrollment
Women's self help group	165	257	265

Governance		
Indicator	FY 2021-22 target	Status
New/ Strengthening of Policy		<ul style="list-style-type: none"> <li>• Cyber Security Policy (New)</li> <li>• Sustainable Procurement Policy (New)</li> <li>• Working Hours Policy (strengthened/enhanced)</li> <li>• Diversity &amp; Inclusion Guidelines (strengthened/enhanced)</li> </ul>
Increased share of Independent Directors in the Board Committee	Board Committees <ul style="list-style-type: none"> <li>• Audit Committee (AC)</li> <li>• Nomination and Remuneration Committee (NRC)</li> <li>• Risk Management Committee (RMC)</li> </ul>	Independence increased to: <ul style="list-style-type: none"> <li>• 100%</li> <li>• 100%</li> <li>• At least 50%</li> </ul>
Formation of new Committees	Establishment of New Committees/Sub Committees <ul style="list-style-type: none"> <li>• Corporate Responsibility Committee (CRC)</li> <li>• Information Technology &amp; Data Security Committee (ITDSC)</li> <li>• Corporate Social Responsibility Committee (CSRC)</li> <li>• Mergers &amp; Acquisition Committee (MAC)</li> <li>• Legal, Regulatory &amp; Tax Committee (LRTC)</li> <li>• Reputation Risk Committee (RRC)</li> </ul>	
Strengthening ESG practices		Updating our Information Memorandum covering all the Environment, Social & Governance (ESG) related matters in line with the international framework

## Key actions

Rollout of Sustainable Procurement Policy, Diversity and Inclusion Policy, Information Security Policy and Working Hours Policy	Climate change vulnerability assessment of 12 ports	Climate Adaptation Plan for 4 large and most vulnerable ports-Dhamra, Mundra, Krishnapatnam and Hazira, which covers 90% of our operations by cargo volume
ESMP rollout for four key ports - Dhamra, Mundra, Vizhinjam and Hazira, which covers two-thirds of our operations by cargo volume	Engagement survey for employees, suppliers and customers	Human rights assessment for employees, suppliers, and community
Impact assessment of key social initiatives and Need Assessment Survey	Development of Grievance Management and Compliance Management System	100% independent Audit committee, Nomination & Remuneration Committee and Corporate Responsibility Committee
Implementation of ISO 27001 for Information Security Management System (ISMS), across all sites	New position created and hiring concluded for the 'ESG Head' with responsibility of a Chief Risk Officer	At least 50% independent directors in Stakeholders' Relationship Committee, Info Tech & Data Security Committee, Risk Management Committee with three new sub-committees

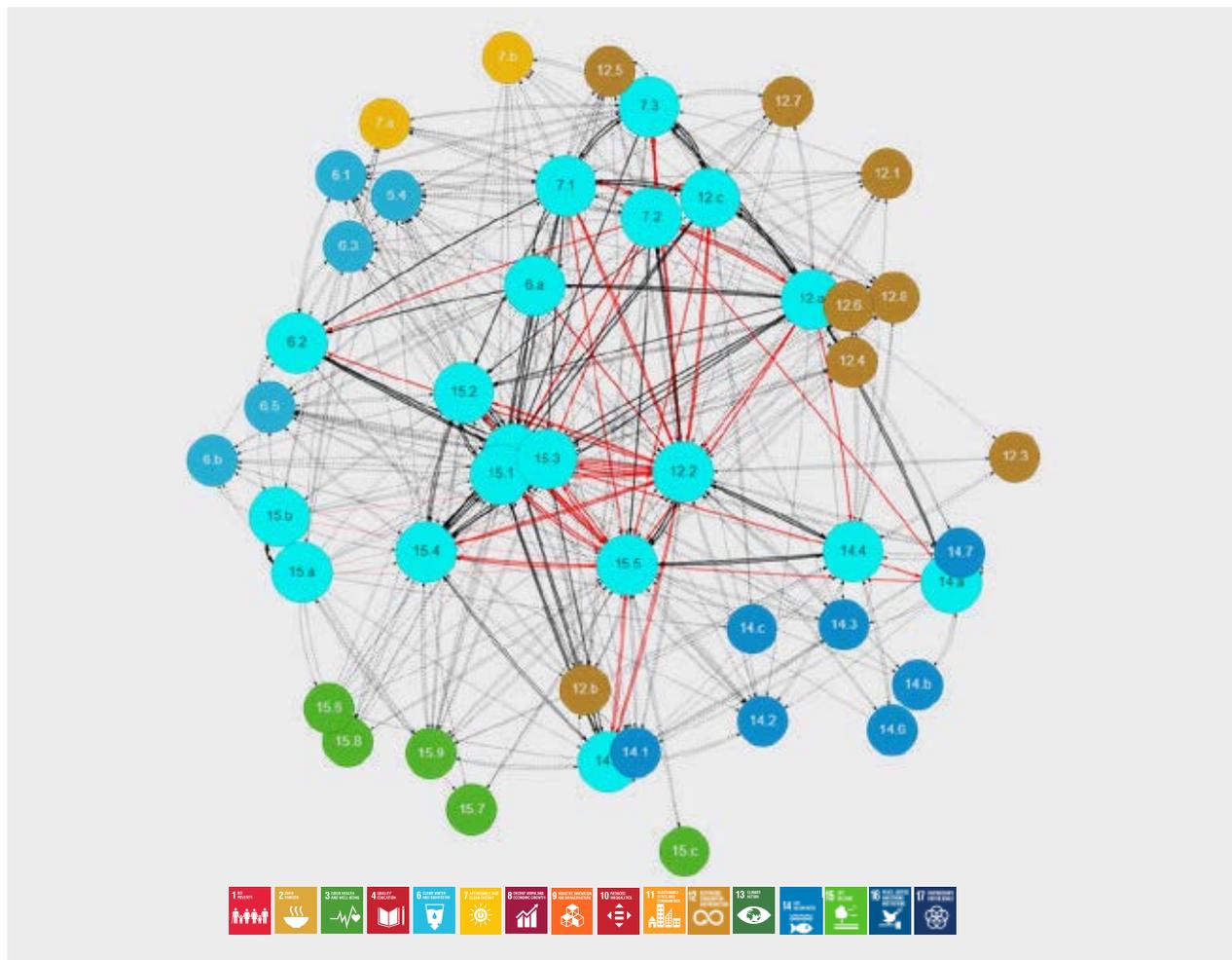
## Environmental stewardship

### Key highlights

8% reduction in energy intensity from FY 2020-21  
 7% reduction in water intensity  
 16% reduction in emission intensity  
 83% waste managed through 5R principle, 87% of which recycled  
 ₹ 209.69 crore environmental investments  
 23363 Mwh renewable energy consumption increased  
 21% waste generation reduced  
 87% recycled waste  
 3239 Ha mangroves afforested  
 2596 Ha mangroves conserved

1.7 million terrestrial plantation  
 56% of total water supply sourced from non-competing sources  
 6 ports certified as 'Zero Waste to Landfill sites'  
 42.7MW total renewable capacity (20.88 MW captive, 21.8 MW PPAs)  
 APSEZ awarded 'Certificate of Merit under Challengers Category' by Frost & Sullivan and TERI for its performance in Sustainability 4.0 Awards 2021  
 First Indian port who signed up a business ambition for 1.5°C

Material issues
Climate change
Biodiversity & land-use
Waste management
Water availability



Sustainable ports are the future, marked by relatively low environment and social impacts and a commitment to mitigate them wherever possible. Ports are central nodes connecting ships worldwide. As industry hubs, changes can have a positive effect on the rest of the sector. Environmental impact has for long been understood as an impact only on ecology and resources. It is without question that a socio-

economic crisis impacts lives and livelihoods of millions today. Environmental impacts, including climate change, availability of clean water, life-threatening extreme weather events, loss of livelihood & ecosystem, are increasingly common. Without decisive action on a global scale, environment impacts could be the biggest risk to our existence.

To reduce carbon footprint, berthed vessels can use shore

power to meet their energy demands for heating, ventilation, and air conditioning (HVAC), lighting, etc. We are gradually moving towards providing zero carbon electricity to berthed vessels. Last year, we also implemented a 50% waiver of marine dues for LNG-powered vessels. Further, all customers can opt for our waste reception facilities to help them in proper waste management and disposal.

Maritime shipping	Port operations	Warehouse/storage	Transportation
Maritime	Internal trucks Cargo handling	Warehouse Silos Oil storage	Rail Inland waterway Road
Air quality Water quality Energy consumption Oil spills Dust Carbon emissions Resource use Waste discharge Marine pollution	Air quality Water use Energy use Dust Carbon emissions Waste discharge Marine pollution Dredging Ecosystem loss	Dust Carbon emissions Energy use Water use Oil spills	Dust Carbon emissions Air quality
EPC & advocacy port fees and incentives	Technological optimisation Resource conservation Transition to clean resources Port reception facilities	Resource conservation Technological optimisation	Mode optimisation
Lower costs Infrastructure facilities of storage and transportation Collection & Handling	Higher customer engagement Low reputation risk Low environmental damage	Low environmental damage	Low environmental damage

**Action points**

- Use onshore power supply when ships are docked
- Upgrade port equipment to run on renewable energy
- Use big data to manage arrivals and departures, reducing congestion and idling
- Use alternative sources of energy/cleaner fuel
- Improve waste disposal facilities

**Strategy management**

In 2018, we had put an Environment Action Plan, a direction on the Company's ambition to lower its environmental footprint, drive changes in the shipping sector through advocacy and influence value chain partners to be more responsible. We

propose to report annually on progress in implementing the plan. Given that we expect stringent regulatory actions; we believe that early action to drive aggressive management of impacts will lead to a more competitive business overall. We believe that integrating proactive approach will help to improve our

operational efficiencies, mitigate risks to our business and impacts to nature, build better relationship with communities and other stakeholders.

Our Environment Action Plan sets out a range of targets and actions designed to deliver upon our 2030 strategy. Our primary focus will be on:

Goals	 Carbon neutrality by 2025	 1.5 degree aligned science-based target	 Zero waste to landfill company
	 Zero liquid discharge	 At least biodiversity neutral by 2025	 Water positive
Strategy	 <p>Use and onshore power supply when ships are docked</p> <p>Use big data to manage arrivals and departures, reducing congestion and idling</p> <p>Use alternative sources of energy/cleaner fuel</p> <p>Upgrade port equipment to run on renewable energy</p> <p>Improve waste disposal facilities</p>		

**APSEZ's environmental policy**

- Production operations and business facilities
- Products and services
- Distribution and logistics
- Management of waste
- Suppliers, service providers and contractors
- Other key business partners (non-managed operations, joint venture partners, licensees, outsourcing partners, etc.)
- Due-diligence, mergers and acquisitions
- Biodiversity & Noise Management

Our focus on environmental protection is guided by our company level Environmental Policy, which provides company-level commitments related to operations, logistics, management with suppliers and joint ventures. We aligned with the highest standards of corporate governance practices with an approach to prevent, engage and continuously improve our emissions management, energy use, discharges, water consumption and conserve biodiversity. All our 12 ports, dredging company SSIDL and harbouring company TASHL, three logistic sites (Kishangarh, Patli and Mallur) and two joint ventures (AICTPL and ACMTPL) are certified with IMS (Quality Management System (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupational Health and Safety Management System (ISO 45001:2018), Energy Management System (ISO 50001:2018). An established auditing process helps ensure consistent improvement in the defined areas. This year, each of our facilities has gone through one external and two internal audits, with no major non-compliance / observation being reported. Internal audits are conducted annually once while external audits are done as per the certification dates.

We have no open showcause or legal notices; the environmental regulators levied no penalties. Our

efforts at building and enhancing employee capacity on EHS through training programmes are detailed in the Human Capital section of the report. All sites are assessed on water stress risk in line with guidance from Central Ground Water Authority (CGWA) and Science Based Targets Initiative model for GHG emissions reduction goals. The analysis is being used to plan for investments in projects to achieve our carbon and water targets. All our sites have a business continuity and disaster recovery plan to minimise disruptions. These plans are being optimised to incorporate climate change.

#### Incident investigation and correction

At APSEZ, we have corrective and preventive actions in place in line with our Integrated Management System IMS, (ISO-14001, ISO-45001, ISO-9001) across our facilities. We set up an Internal Environment Monitoring Committee to address public grievances related to pollution at our Mundra Port and the same has been disclosed as a part of Mundra Port's half yearly compliance report. No incident/complaint related to environmental pollution was received by APSEZ.

Our grievance reporting initiatives comprise a 24x7 grievance reporting mechanism through our website, dedicated telephone numbers and drop

boxes at prominent locations. Several people across our sites (supervisors, seniors, and department heads) can be reached directly for reporting any grievance. We provide communities with a system for reporting grievances, which are recorded, reviewed, escalated, and actioned upon within a stipulated time frame. For better transparency, an Integrated Grievance Management System is being implemented for the aggrieved to view status, resolution and provide feedback.

#### Compliance management

APSEZ tracks all legal, statutory commitments and apprises the Compliance Officer of any non-conformity by our IT-enabled compliance management system: Legatrix. It is considered as a resource library which provides comprehensive matrix to its management. The Compliance Officer reviews it regularly to minimise mishaps.

Environment compliance, including a half-yearly compliance report of Environment & CRZ clearance obtained, annual Environment Statement (Form V) etc. are regularly submitted to all the concerned regulatory authorities (MoEF&CC, CPCB, SPCB and SCZMA etc) and kept on the Company's website. In addition, copies of all the Environment Clearance obtained are also showcased on the Company's website.

	FY 2019-2020	FY 2020-21	FY 2021-22
Location	All APSEZ operation	All APSEZ operation	All APSEZ operation
No. of non-compliance breaches	Nil	Nil	Nil
Monetary Fines	Nil	Nil	Nil

## Status of key legal cases

Case	Description	Status as of 31st March 2022
Petition against the consent granted by the GSPCB to Mormugao Terminal for handling of coal, 2018	<p>Adani and others had consents to increase the limit of coal usage by Goa State Pollution Control Board (GSPCB). A writ petition was filed by some residents of Vasco da Gama city along with NGOs at Hon'ble High Court of Bombay at Goa in 2018 against GSPCB to decrease/stop coal use.</p> <p>They wanted the court to provide a hard stop to coal usage completely at the Goa terminal and prohibit the transportation of coal from the city as it is increasing dust pollution in the city.</p> <p>As per the last hearing on 26th February 2020, no adverse action had been taken.</p> <p>Presently, we are operating in Goa aligned with all ESG safeguards and with a valid consent to operate issued by GSPCB.</p>	Hearing pending on May 2022
Alleged for the presence of sand dunes in Mundra Port project area, 2016	<p>Mr. Pravin Singh Bhurubha Chauhan filed a public interest litigation (PIL) before the Hon'ble Gujarat High Court alleging the presence of sand dunes in APSEZ's project area in 2016.</p> <p>Gujarat High Court had dismissed the litigation after APSEZ had submitted reports and authenticated maps of 'no presence of sand dunes' in the project area.</p> <p>Furthermore, Sunita Narain Committee was appointed by the Supreme Court when Special Leave Petition was filed there by the Petitioner.</p> <p>After a rigorous study of the committee, it was concluded that APSEZ had not violated any conditions of Environmental Clearance and there was no presence of sand dunes in the project area.</p> <p>Therefore, the allegations filed were not true.</p>	Matter pending with Hon'ble Supreme Court.
Petition for mangrove destruction during the Mundra Port construction, 2011	<p>Kheti Vikas Seva Trust had filed Writ Petition during construction of Mundra Port at Hon'ble Gujarat High Court in 2011 and dismissed by the court.</p> <p>Later, another petition was filed, alleging non-compliance of an order of the Gujarat HC, prohibiting the cutting of mangroves and other forests during the pendency of the petition without the permission of the state forest and environment department in relation to the writ petition is still pending.</p> <p>The committee of Mr. Claude Alvaris, Mr. Subrata Maity and Deputy Conservator of Forest, Kachchh, was appointed by the court and had suggested various measures like the replanting of mangroves in 5333 ha area; GCZMA was to re-examine the entire proposal of APSEZL in line with CRZ notification, measures to safeguard Bocha Island and annual uploading of satellite images by APSEZL.</p> <p>In response, APSEZL stated that:</p> <ol style="list-style-type: none"> <li>i. APSEZ exceeded its terms of reference,</li> <li>ii. Completed mangrove reforestation</li> <li>iii. Was Compliant with the Environment Clearance dated 18th September, 2015.</li> <li>iv. Sunita Narain Committee recommendations were captured in the EC conditions and that we were in compliance of the same.</li> </ol> <p>This matter was listed on 10th March, 2022.</p>	Matter pending with Hon'ble Gujarat High Court

<https://www.adaniports.com/Downloads> (can be assessed under respective ports)

Case	Description	Status as of 31st March 2022
Compliance of MoEF&CC's order with 10 directions by APSEZ Mundra, 2019	In 2019, Jusab Kasam Manjaliya filed a Special Civil Application at the Hon'ble High Court of Gujarat to get the status towards implementation of MoEF&CC order dated 18th September, 2015 and the consequential measure taken towards protection and prevention of environment. To address this application, High Court of Gujarat directed MoEF&CC, RO Bhopal to conduct a site visit of Adani Ports & Special economic Zone Mundra Kutch. MoEF&CC submitted the inspection report to the Gujarat High Court. Further, APSEZ was ordered to submit a compliance report every 6 months and cumulative impact assessment plan till 2030 to the court and MoEF&CC.	Matter pending with Hon'ble Gujarat High Court
Challenging Environmental and Coastal Regulation Zone Clearance granted to Dahej Port, 2016	In 2016, NGT benched by the Conservation Action Trust and Mr. Debi Goenka had challenged the EC and CRZ clearance grants for phase -3 development by MoEF&CC dated 14th October, 2016. The violations highlighted by appellant were: 1. Phase III involves reclamation of mudflats that are classified as CRZ IA, which is not disclosed by Adani, it is disclosed that mudflats are biologically insensitive. 2. Damage to the existing mangrove on north side of rubble bund while widening to 60 meter not shown by Adani but are visible in Google image. 3. Adani has disclosed the area proposed for development in EIA report as CRZ IB and CRZ III but actually area is CRZ IA, no new construction allowed in CRZ IA as per CRZ notification. 4. Three creeks in the project area have been blocked by Adani 5. Phase I and Phase II EC and CRZ clearance given without application of mind by MoEF&CC and GCZMA 6. Activities not permitted in CRZ area are being permitted by MoEF&CC through EC & CRZ clearance 7. As per the EC and CRZ clearance mangrove plantation in an area of 400 Ha was to be carried out by Adani and as per the Google image no mangrove plantation can be seen at the location mentioned by Adani in Public hearing replies. 8. The impact of change in morphology and fisheries not dealt with in the EIA report. 9. In addition, they have challenged various studies such as marine component, air quality study, impact prediction, public hearing replies etc. done as part of EIA. Adani has already provided a reply to the NGT. This matter is pending because all respondent parties have not filed replies. Hence, the matter has been adjourned.	As of 31st March, 2022, a case was adjourned as the bench was not available / constituted at NGT Western Zone, Pune. The next hearing is scheduled in May 2022.

### Environmental impact assessments (EIA)

Recently, we carried out an Environmental Impact Assessment (EIA) for the following projects, which are at different stages of approval.

- Revised Master Plan development of MIDPL (Kattupalli)
- Revised Master Plan of Waterfront Development (Mundra)
- Outer Harbour development (Hazira Port)
- Development of 1576.81 Ha industrial park / SEZ (Mundra)
- Proposed utility corridor (road, rail, pipeline, HT line and other utilities) and LPG pipeline (Mundra)
- Proposed 18m 66KV transmission corridor (Mundra)
- Additional capital and maintenance dredging and disposal of dredge material at AKBTPL (Tuna)
- Creation of berthing and allied facilities off Tekra (Tuna) (AKBTPL)

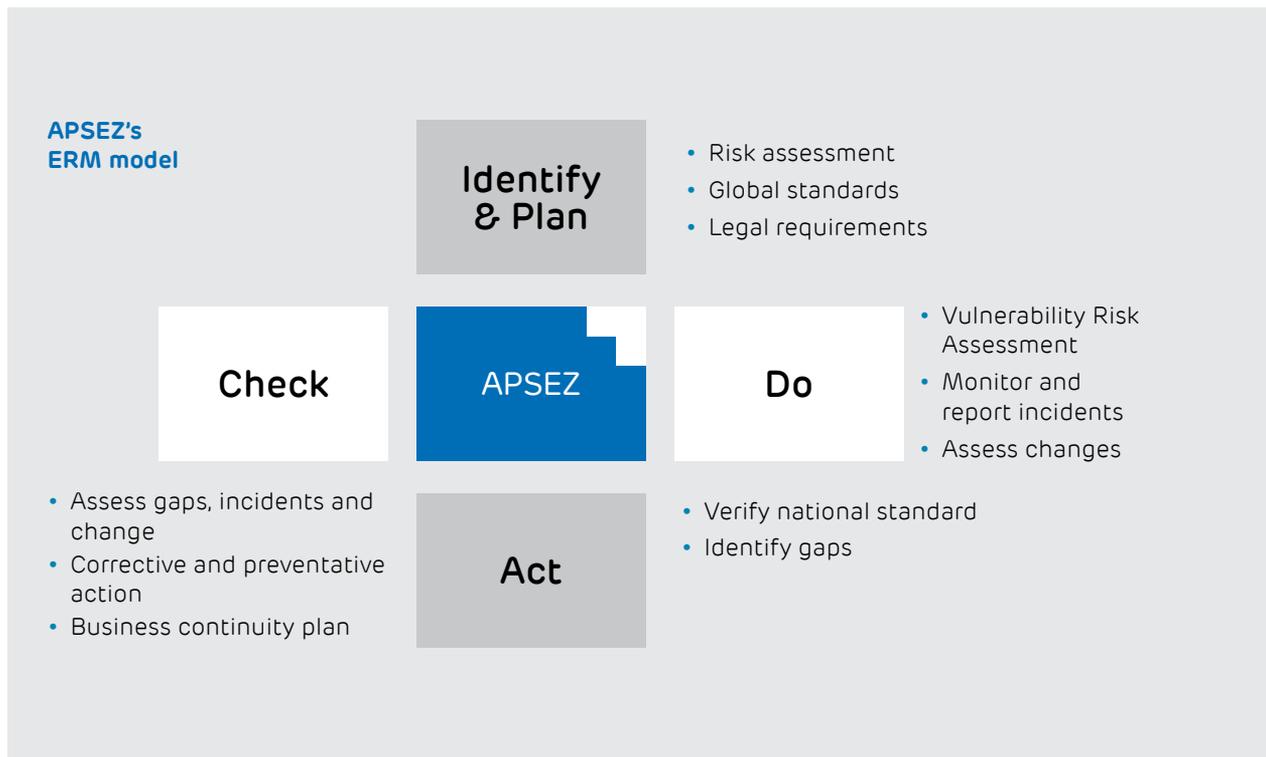
## Environmental governance



We have sustainability committees at different levels – Board, corporate and site. Ensuring strategic alignment with the business, we constituted the Corporate Responsibility Committee (CRC) at the Board level that oversees our positions and practices on sustainability issues, principally in relation to social, environmental matters that affect shareholders and other key stakeholders. Our cross-functional Sustainability Leadership Committee (SLC), chaired by the CEO, is responsible for ensuring the operationalisation of sustainability as a part of our strategy. At the site-level, the Heads support the implementation of our sustainability strategy in their respective functions through a Sustainability Steering Committee (SSC).

## Risk management

APSEZ framed an Enterprise Risk Management (ERM). The ERM and risk assurance procedure is integrated with the business planning and compliance functions. In recent times, climate-related risks became important to APSEZ’s risk management process. This included climate-related physical risks such as rising sea levels and extreme weather events (storms, flooding, droughts and severe winds) and transition risks that comprise technological, regulatory and market changes for a lower-carbon economy.



## Goal 1: Carbon neutral by 2025

### Climate strategy

<p><b>Reduce our impact</b></p> <p>Through low carbon pathway commitments, reduce emissions in operations and supply chain</p>	<p><b>Building resilience</b></p> <p>Enhance physical and strategic resilience of both our operations and key stakeholders</p>	<p><b>Strengthen the system</b></p> <p>Develop robust system to track and ensure integration of climate change in relevant business activities</p>
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### Five levers

Our roadmap features five levers – in essence, groupings of actions and initiatives – that act as stepping stones to achieving net-zero by 2050. These comprise:

A	B	C	D	E
Sustainable infrastructure development	Resource planning	Process optimisation through technological interventions	Positive legal compliance	Fulfilling the national/ international standards or guidelines

#### Climate action

The world is embarking on a 'Race to Zero'. The Paris Agreement goal of holding the increase in global average temperature to well below 2 degrees above pre-industrial levels and pursuing efforts to limit that increase to 1.5 degrees, will require unprecedented global effort to halve greenhouse gas (GHG) emissions this decade, achieve 'net zero' position by 2050 and shift to an overall removal of GHGs on an annual basis post-2050.

As APSEZ is poised to achieve 500 MMT of cargo handling by 2025, it identifies climate-related risks as the biggest barrier to realising its goal. Through proactive decarbonisation, APSEZ aims to build climate-resilient portfolios, leading us to create greater value in a low carbon future. Our scenario analysis suggests that we need to accelerate the decarbonisation of our business portfolio to take advantage of the low carbon economy in the

coming decades. We plan to reallocate capital resources to transform our integrated logistics business so that we become a net zero emitter and seize opportunities for low carbon businesses.

APSEZ has committed to 'carbon neutrality' by 2025 and net zero thereafter. To intensify our path towards carbon neutrality, we signed a commitment to set the emission reduction targets under SBTi for net zero. The target setting is in progress and the same will be submitted to SBTi for validation. We are at the forefront in terms of climate policies and are confident of achieving 'net zero' before the target set under India's Nationally Determined Contributions (NDC).

#### Progress towards carbon neutrality

- Electrification of RTGs is completed and that of quay cranes is in progress with targeted completion in 2023

- The first lot of 100 electric ITVs is likely to arrive at our ports in June 2022
- Discussions are ongoing with various OEMs of battery-operated reach stacker, ECH, dumper and locomotive for pilot execution
- A third-party contract for renewable electricity sourcing of around 300 MW is under discussion
- Captive renewable capacity of ~21 MW and PPAs signed with IPPs for renewable capacity of ~22 MW

#### Climate risk assessment

In the process of developing a strategy that defines our pathway for carbon neutrality, we signed with the Science-Based Target's commitment and Task Force on Climate-related Financial Disclosures (TCFD). As the international society set a goal of limiting global warming to 2°C from pre-industrial levels through the Paris Agreement, the

'under the 2°C scenario' serves as the reference point in global endeavours to mitigate GHG emissions. We turned to IPCC and best practices for climate risk analysis considering RCP 4.5 scenarios with two time frames of 2021-2050 and 2041-2070. A detailed adaptation plan was proposed for risk reduction and resilience. The scenario lays out a plausible pathway for the future, identified climate-related risks and opportunities, and developed strategies to achieve our aim towards low carbon transition.

As a TCFD signatory to climate change, it is our goal to increase the climate resilience of our business by setting the following targets for 2025:

- Implement climate resilience and adaptation measures at four ports identified as most vulnerable — Mundra and Hazira ports in Gujarat, Dhamra port in Odisha, and Krishnapatnam port in Andhra Pradesh.
- Conduct climate vulnerability assessment of all newly acquired ports.

Climate Change Vulnerability Risk Assessment of the infrastructure related to port operations has been conducted based on guidelines suggested by IPCC and the best practices for climate risk analysis. Following this, a qualitative evaluation of the implementation time frame and expected cost implication of adaptive measures have been drawn out for the four most vulnerable ports. Till date, we completed the Climate Risk Vulnerability Assessment of 13 ports to ascertain their exposure and sensitivity to changing climate.

We adopted an ambitious set of carbon targets with which to lead our sector: by 2025, we are targeting a 60 % reduction in our CO<sub>2</sub>e emissions intensity. The targets cover both Scope 1 and 2. These targets create the milestones we need to achieve to

meet our long-term target of net-zero by 2050 and are set against our 2020 baseline.

**Climate mitigation:** We have set our Carbon Neutrality Roadmap to achieve net zero carbon emissions by 2025. Our emission mitigation plan is to:

- reduce energy intensity by 50% in 2025 from the level in 2016,
- achieve fuel-switch through electrification of equipment such as RTGs, MHCs, ITVs, and locomotives,
- source entire electricity from renewable sources, and
- offset the remainder emissions.

Based on our forecast, we will achieve 69% emissions reduction from sourcing of renewable electricity, 3% from electrification of equipment and 28% from carbon offsets, which will make for 100% reduction in emissions.

**Internal carbon pricing:** APSEZ internally applies carbon price of USD 20/ tCO<sub>2</sub>e on all Scope 1 and Scope 2 emissions from its operations. The equivalent cumulative amount is set aside for investment into renewable projects and energy efficiency measures. In FY 2021-22, a USD 6.4 million fund was generated through the carbon pricing measure.

**Climate finance:** In FY 2021-22, we used internal accruals and debt to invest ₹209.69 crore. in projects related to energy-efficiency, emission reduction, environment protection, waste treatment and adaptation. Over ₹180 crore was spent on different rail projects like electrification and upgradation of existing lines and equipment, which helped reduce energy use through modal shift and efficiency improvements. The ceramics transportation from Morbi in Gujarat is now through railways as against road earlier, which will reduce GHG emissions in excess of 50,000 tons by 2025, equivalent to taking 20,000 cars

off the road. The spending on electrification of cranes and other equipment was to the tune of ₹11 crore and on the conveyer system of over ₹1 crore in FY 2021-22. We made investments of ₹2.6 crore on solar power projects and ₹11.6 crore on various projects on water and waste treatment, storm water discharge and water supply.

### Greenhouse gas emissions

In line with our 'Carbon Neutral by 2025' goal, we continuously work towards improving energy efficiency across operational locations and enhance the proportion of renewable energy sources (solar, wind power) in the total energy mix. We are continuously working on process improvements and implementing projects to mitigate our environmental impact in line with Energy and Emission Policy .

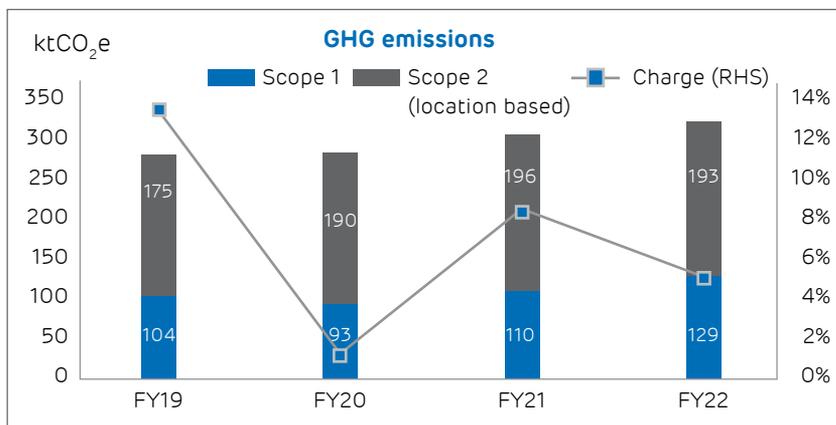
The chart below shows our Scope 1 and 2 emissions of the last four years. Over the years, our absolute emissions have increased because of the increase in the volume of our business. The total emissions in FY 2021-22 were higher also because the operation of the Krishnapatnam port was fully considered in the reporting boundary for the first time this year. The Scope 1+2 GHG emissions in FY 2021-22 was 322 ktCO<sub>2</sub>e, higher by 5% compared to FY 2020-21 value. However, during the last year, the emission intensity per unit of revenue decreased from 21.1 to 17.8 tCO<sub>2</sub>e/crore ₹. The emission intensity was 22.7tCO<sub>2</sub>e/crore ₹ in FY 2018-19. In FY 2021-22, the share of Scope 1 emissions in the total Scope 1 + 2 emissions was 40%, with key sources being emissions from fossil fuels like diesel, natural gas, and furnace oil (residual fuel oil) use in the equipment and vehicles owned by us. The emissions due to refrigerants used were 802.5tCO<sub>2</sub>e, which is 0.6% of Scope 1 emissions while the rest was from fossil fuel. Our effort is on reducing Scope 1 emissions



by using alternative fuels, electrification and enhancing the energy efficiency of our operations. We expect these efforts to result in lower Scope 1 emissions in the future.

During the year, we sourced 59,166 MWh of renewable electricity from solar and wind through open access (third party), and captive capacities like onsite roof top/ ground mounted solar project, leading to 46,741 tons

of GHG emissions reduction (scope 2 emission). Over the last three years, we added 11.1 MW of solar portfolio through various renewable energy initiatives for on-site roof top /ground mounted solar.



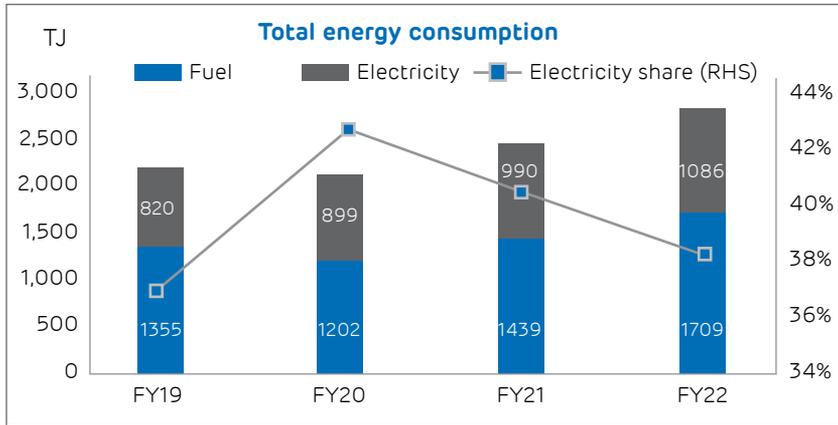
Historically for APSEZ, the largest source of emissions was electricity use, reported as Scope 2 emissions in the chart

above. This frames our carbon mitigation strategy to also focus on reducing Scope 2 emissions by incorporating renewable power

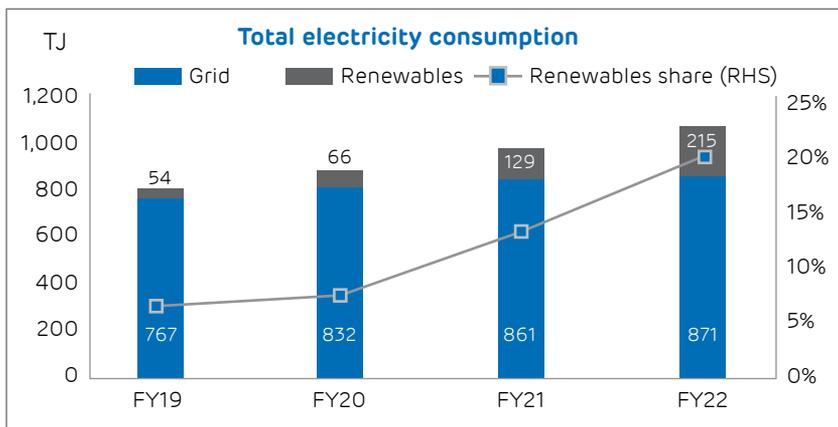
sources. So, while we are focusing on reducing Scope 1 emissions by electrifying our operations and introducing energy efficiency measures, we are targeting to reduce Scope 2 emissions by increasing the share of renewables in the power mix. In this way, we seek to reduce the entire direct emissions of our operations.

The current share of electricity in our total energy consumption was 39%, which remained largely same over four years. However, the proportion of renewables in total electricity consumption doubled over this period.

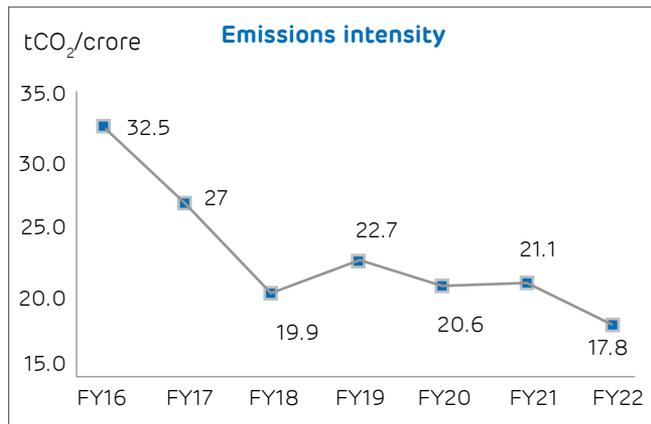
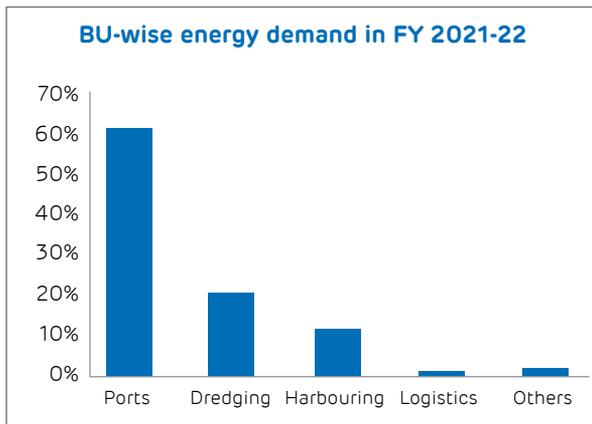
<sup>3</sup> <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Energy-and-Emission-Policy.pdf>



The share of renewables in the total electricity consumption increased from 7% in FY 2018-19 to 20% in FY 2021-22. We currently have total 20.88 MW captive capacity and 21.80 MW of PPAs signed with IIPs for renewable electricity supply. We are discussing tie-ups for 300+ MW with IPPs for renewables capacity.



Our ports are the largest consumers of energy, accounting for 62% of the total energy consumption across APSEZ, followed by dredging operations. Logistics accounted for just 1% of the total energy consumption.



- Scope 1 includes direct emissions from fuel used in port operations in equipment like cranes, excavators, dozers, reach stackers and forklifts etc. and in allied activities like harbouring, dredging and in DG sets and Company vehicles.
- Scope 2 (location based) includes indirect emissions from purchased electricity consumed by the operational activities

Ozone-depleting substances (ODS)	Quantity Kg
R-22	335
R-407C	0
R-410	164
R-32	1.8

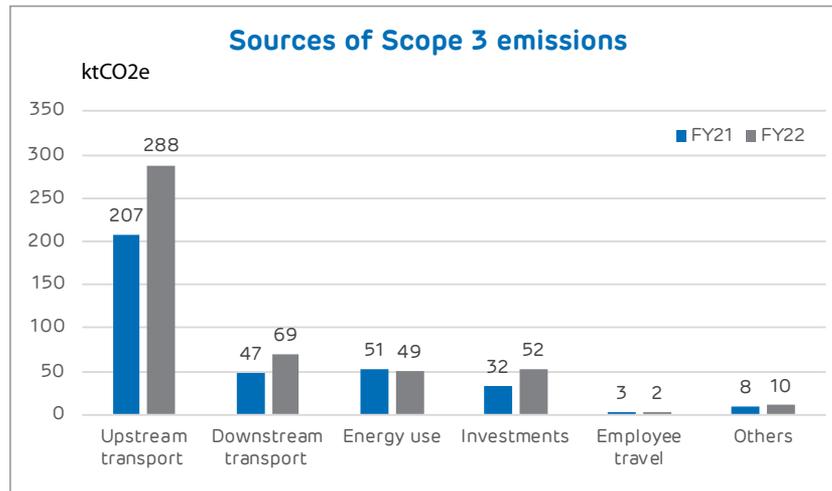
APSEZ recognises the importance of addressing Scope 3 emissions, which indicates the level of exposure to climate risks in our upstream and downstream supply chains. We monitor and report Scope 3 emissions to enhance our carbon reduction efforts by identifying large emission sources along our value chain.

Scope 3 includes emissions arising from fuel consumed by contract vehicles, fuel consumed by contract equipment, fuel consumed by administration vehicles (outsourced), fuel consumed by business travel (air, train, bus, and four-wheeler), fuel consumption by employee transit (daily commute), fuel consumption for waste disposal (outsourced), fuel consumed by horticulture equipment and vehicles (outsourced), fuel

consumed by the canteen and its vehicles (outsourced), and other indirect emissions. Emissions from investments include our

joint ventures (GHG Scope 1 & 2 emissions).

Total GHG Scope 3 emission was 471649 tCO<sub>2</sub>e.



**Note:** Others include downstream emissions, employee commutation, business travel and waste disposal

## GHG emission reduction initiatives

### Case study 1: GHG emission reduction through alternative fuel

**Objective:** To reduce GHG emission by conversion of the entire diesel locomotive to electric alternatives (Aligned to UN SDG13)



**Activity:** Adipur Mundra Railway Electrification to reduce diesel use by replacing the diesel loco with electric alternatives

#### Project description

In container handling ports, the railway plays vital roles in handling and shifting the cargo in different parts of the country. Traditionally, the handling of the cargo is being done with the diesel locomotive; the consumption of diesel fuel for the shifting is huge, which not only affects the environment but could eliminate natural resources.

In response to these observations, we decided to replace the diesel locomotive with the electric alternative and came up with this railway electrification project from Adipur to Mundra 72 RKM double line. The overall projected cost of the project was ₹180 crore

In comparison to the present consumption, this project will help in achieving 95% savings in fuel consumption and contribute towards targets aligned for sustainable development.

#### Methodology

Replacement of the diesel engine to the electric engine is our immediate as well as long-term energy saving plan. It will help us in saving natural resources and reducing the carbon emission, which saves our environment.

The methodology of the project involves several activities such as Mast Foundation, Mast Erection, Bracket Erection, Wiring,

Dropper, development of PSI post and other associated activities. With the help of the MUPL substation, one of our PSI posts at Bhadreswar will be electrified by 66kV and will be stepped down to 25kV and energised throughout the section.

#### Expected outcomes

- Reduces the average CO<sub>2</sub> by 6.00 million Kg yearly and saves around ₹1800 crore foreign exchange annually immediately after electrification.



**Case Study 2: Reduction in carbon emissions through the procurement of e-ITVs**

**Objective:** To eliminate diesel consumption in ITVs used and thereby reduce carbon emission (Aligned to UN SDG13)



**Activity:** Procurement of E-ITVs towards Climate Change Mission and Carbon Neutrality

**Project description**

Internal transfer vehicles (ITVs) are used extensively in port operations. These are used for transfer of container cargo from ship to yard and vice versa. Diesel consumption in ITVs is around 60,000 Litres / month for the Kattupalli and Ennore Ports and is identified as a significant source of GHG emission at ports.

To avoid the carbon emissions and to achieve our carbon neutral

mission, we procured 51 e-ITVs for Marine Infrastructure Developer Pvt. Ltd. (MIDPL) and 24 e-ITVs for Adani Ennore Container Terminal Pvt. Ltd. (AECTPL). The charging of these e-ITVs is done through the solar power system.

**Outcomes**

- 100% reduction in diesel consumption
- Emission saving is around 180 tCO<sub>2</sub>e/ month



**Energy performance**

Energy management is critical to the climate change agenda at APSEZ. Energy consumption is one of the largest sources of GHG emissions, while energy costs have a direct impact on the cost of operations. Our energy management strategy involves:

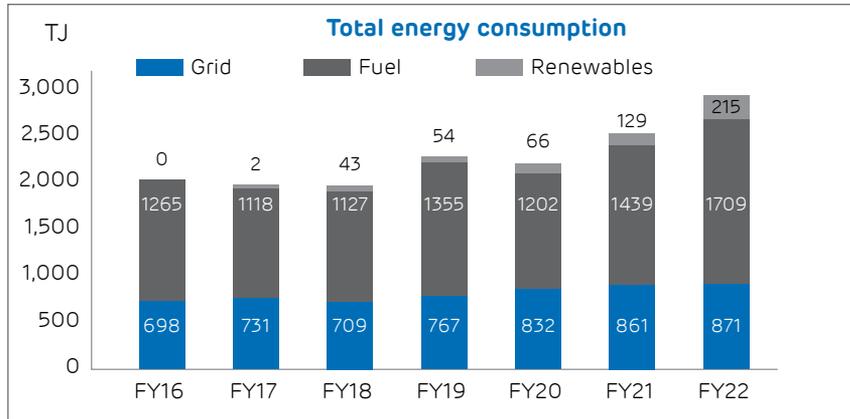
A) Improving energy efficiency

across our operations through awareness and monitoring

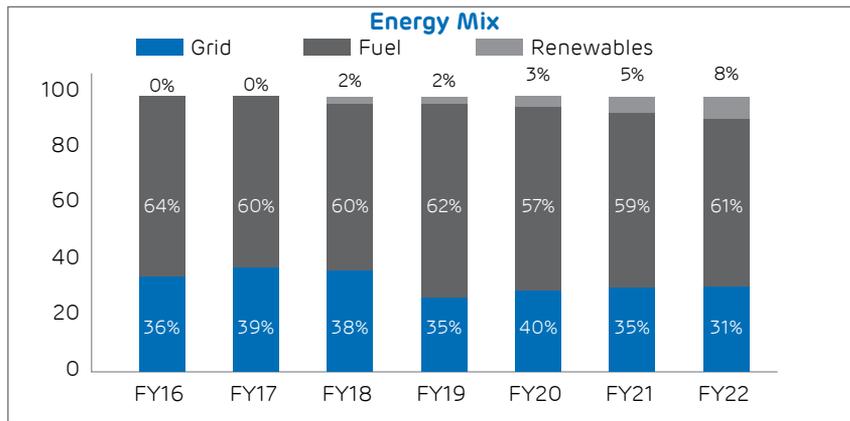
- B) Adopting new technology
- C) Alternative fuel use
- D) Electrification of equipment and machines

In FY 2021-22, the total energy consumed was 2,798,519 GJ, which is 15.28 % more than FY 2020-21 as the full-year data of

Krishnapatnam port was included in the reporting boundary. Our current target is to reduce energy use intensity by 50% from the 2016 levels by 2025. We are on track to achieve our target, with 38% reduction achieved till date from the base year of 2016. In FY 2021-22, the energy intensity of our operations was 154.7 GJ/ revenue in crores.

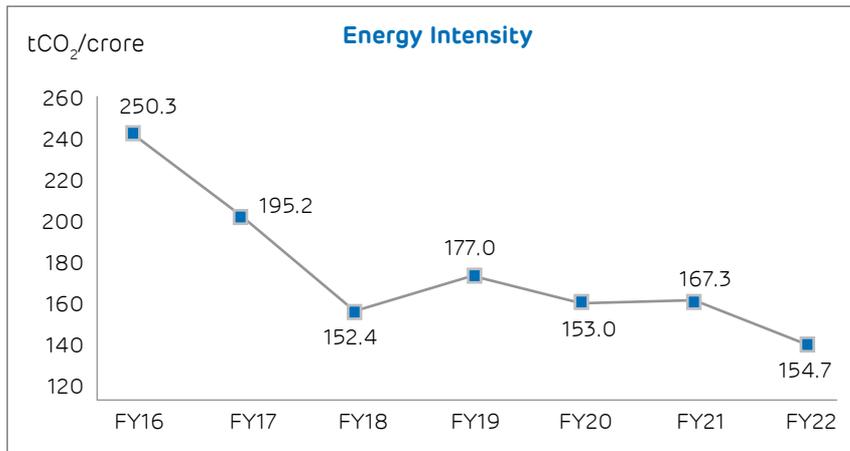


The share of renewable in the total energy mix increased to 8% from 2% four years ago. The electrification of equipment and transport will gradually reduce the demand for fuel and increase the share of renewables.



**Note:** \*Fuel comprises of petrol, LPG, PNG, HSD, FO, HFO, Acetylene and Jet kerosene

The intensity of energy consumption per unit of revenue generated



Fuel	Fuel consumed (GJ)
HSD	1278473
Petrol	1986
FO	410468
HFO	2005
LPG	1770
Acetylene	71
PNG	565
Jet kerosene	33868
<b>Fuel consumed</b>	<b>1729206</b>

The fuels are consumed in our port cargo handling operations at our ports, logistics sites, Karnavati Aviation (non-scheduled flights) and allied services like harbouring and dredging. Even though we own and operate 60 rakes, we do not consume any direct fuel for these rail operations as the

locomotive operations are under IRCTC control.

**Energy reduction initiatives across value chain**

Our ports adopted multiple technological and operational measures for improving energy efficiency. While some measures

are directly oriented towards improving energy efficiency, the remaining ones target other improvements, indirectly contributing towards a lower energy consumption in the port area.

We have undertaken a conversion of the high pressure sodium vapor

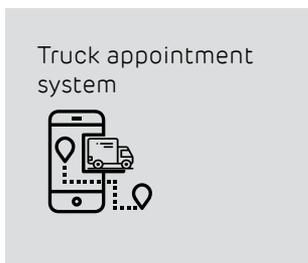
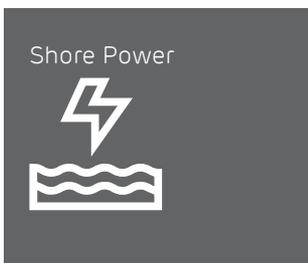
lamps (HPSV) in all RTG cranes to LED fittings and 5 diesel vehicle to electric vehicles at Mundra, with the objective of reducing CO2 emissions and optimising operational costs. This resulted in a reduced carbon emission per annum of 47,815 Kg CO2.

The ceramics transportation from Morbi in Gujarat is now made

through railways as against road earlier, This will reduce GHG emissions in excess of 50,000 tons by 2025, equivalent to taking 20,000 cars off the road. We placed an order for 100 battery-operated EITVs and further orders will be issued in FY 2022-23. We also have discussions for low-carbon solutions of reach stacker, ECH, locomotive, dumper and

other earth moving equipment. In Krishnapatnam, we installed an electric conveyor belt to switch from fossil to electricity and improve efficiency.

We initiated the Adipur-Mundra railway electrification to reduce diesel use by replacing a diesel locomotive with an electric alternative.



**Accelerating renewables adoption**

APSEZ follows a two-pronged approach to enhance the share of renewable energy in the energy mix, increasing the use of renewable power and using alternative fuels for our processes. Our total renewable energy share stood at 7.67 % in FY 2021-22 compared to a share of 5.3% in FY 2020-21.

Over the years, we invested more than ₹100 crore in our renewable portfolio, which includes 14.88 MW of solar at different locations and 6 MW of wind energy at the Krishnapatnam port. With this, we achieved an emissions reduction of 46,741 tCO<sub>2</sub>e in FY 2021-22 and 111, 283 tCO<sub>2</sub>e over the years. We expect to make parallel investments in renewable energy sources with a potential positive

impact in a declining use of fossil fuels over the medium to long-term. Though the development is capital-intensive, diversification towards clean energy, including hydrogen, is our strategy to achieve our climate change commitment.

We continue our efforts to increase the proportion of renewable power in total electricity to 100% by 2025 through third-party open access route (solar/wind) and captive generation. In FY 2021-22, the total consumption of electricity was 301,774 MWh, out of which solar and wind was 59,166 MWh.

In FY 2021-22, 7.67 % of the power needs were met through renewable energy.

We are committed to utilise all

forms of transport for better resilience and lower emissions. As a result, we forayed into inland waterways under the aegis of the Government of India's Sagarmala Project. We are working towards improving hinterland connectivity by inter-connecting with railways for inland cargo movement. We are attempting to link agri-logistic parks with rail, building multi-modal connectivity to the customer's doorstep. This could reduce road movement, reduce emissions, and provide a climate resilient alternative. These significant business shifts and expansions empower us to address emerging market dynamics.

**Case study 1: Installation of roof top solar power system and solar panels along break water at Kattupalli port**

**Objective:** To increase the renewable energy capacity from 450 KWP to 1 MW (Aligned to UN SDG13)



**Project description**

Under this project, the renewable energy capacity is to be increased from 450 KWP to 1 MW. For achieving this, Marine Infrastructure Developer Pvt. Ltd. (MIDPL) installed roof top solar system and solar panels along the break water at Kattupalli Port. Solar power panels were installed

on rooftops of building and along the North breakwater, connecting to the solar inverter and solar battery.

**Outcomes**

- Roof top solar plant installed for the capacity of 550KWp at various building roofs. Power generation was around 7,00,000 units per

year resulting in savings of ₹52.70 lakhs per year.

- To utilise unused areas for green energy generation, 15KWp solar plants were installed along the North breakwater rocks as a trail; power generation will be 20,000 units and cost savings ₹1,43,000 per year.



**Case Study 2: GHG emission reduction through renewable energy at Dhamra Port Company Limited**

**Objective:** Reduce GHG emissions through renewable energy (aligned with UN SDG13)



- **Activity:** Purchase of open access renewable energy by Dhamra Port Company Limited for power consumption

**Project description**

Around 59.7% of India's electricity is generated using fossil fuels, a major source of greenhouse gas emissions. To meet growing energy demand, DPCL purchases electricity from NESCO, a source of Scope-2 emission. As per our

Energy Policy, DPCL purchases Open Access Renewable Energy to reduce its carbon footprint and GHG emissions.

**Outcomes**

- During FY 2021-22, DPCL consumed 86,361 MWH of

electric energy, out of which 15,300 MWH of electric energy was purchased through open access renewable energy (around 17.72% of the total energy consumption).

- This initiative avoided 12,546 tCO<sub>2</sub>e of Scope 2 emission.

Other initiatives in conservation of energy undertaken by APSEZ included:

**ERTG floodlight LED conversion at Marine Infrastructure Developer Pvt. Ltd. (MIDPL):** The conversion of existing High-Pressure Sodium Vapor lamp (HPSV) in all RTG cranes into LED fittings resulted in savings of 1,68,000 Kwh/year i.e., ~₹12.60 lakhs.



**LED conversion at Adani Marmugao Port Terminal Pvt.:** Replacement of all HPSV lamps in moving equipment, conveyor galleries, buildings utilities, yards, high mast towers and transfer towers by LEDs resulted in a saving of 88,752 KWh/year i.e., ~₹5.3 lakhs.



### Ambient air quality

At APSEZ, we are continuously striving towards improving our air quality management and performance by considering it as a significant concern for our ports and near-port communities. Near-port communities are often disproportionately impacted by air emissions due to port operations, goods movement operations and other industries that may be co-located with ports. There is also a growing pressure by stakeholders to reduce emissions and improve air quality.

A major portion of emissions at our port facilities is combustion-related emissions and its primary sources have been identified as equipment, vehicles, and marine vessels that burn diesel fuel. These diesel engines result in the release of pollutants such as particulate matter (PM), nitrogen oxides, (NOX), carbon monoxide (CO), sulphur oxides (SOX), and air toxics. The level of Sulfur in the fuel being used is directly proportionate to the level of SOX emissions generated. Apart from combustion-related emissions, dust generated from the cargo handling and storage may also

have impact on the air quality at our dry cargo handling terminals in Krishnapatnam and Kattupalli. We use scientific methods for controlling dust emissions such as dry fog dust suppression system, water sprinklers, wind screen in the dry cargo handling ports, use latest pollution tested transport vehicles, modern equipment such as closed conveyor belt for cargo handling, and tarpaulins for covering cargo. Greenbelt development or the open space between the port and local communities is an effective buffer to contain the impact of air emissions and noise. Guided by our Environmental Policy and bound by regulatory norms, we are committed to reduce non-GHG air emissions, its identification, ambient monitoring and regularly report their levels to regulatory authorities.

### Non-GHG emissions

At APSEZ, we identified non-GHG emission sources (point and area source) for all our ports using Integrated Management System (IMS) procedure for monitoring and measurement. In addition, stack monitoring was carried out

as per the regulatory approvals (consent condition) from State Pollution Control Board (SPCB) for various Non GHG emissions. Parameters such as Sulphur Dioxide (SO<sub>2</sub>), Nitrogen Dioxide (NO<sub>2</sub>), Particulate matter (size less than 10 um) or PM<sub>10</sub>, Particulate matter (size less than 2.5 um) or PM<sub>2.5</sub>, Ozone (O<sub>3</sub>), Lead (Pb), Carbon Monoxide (CO), Ammonia (NH<sub>3</sub>), Benzene (C<sub>6</sub>H<sub>6</sub>), Benzo (a) Pyrene (Ba), Arsenic (As), Nickel (Ni) are part of our existing environment monitoring program (ambient air and stack emission) and reported to regulatory authorities as part of half yearly compliance report available on company website for respective ports. APSEZ developed an in-house software tool (MERCURY) for recording and monitoring non-GHG air emissions of all the port locations and compared it with NAAQS (National Ambient Air Quality Standard). These are tracked monthly to assess abnormalities and implement mitigation measures. As per the monitoring reports, it can be observed that APSEZ maintained non-GHG emissions well within NAAQS limits.

Parameter	FY 2021-22 (µg/m <sup>3</sup> )
NOx	20.55
Sox	11.43
Particulate matter (PM)	56.99

Initiatives for reduction of non GHG emissions

Various initiatives are taken up by ports for the reduction of non-GHG air emissions. These non-GHG emission reduction initiatives are disclosed as a part of the half-yearly compliance report on our website. A few examples of initiatives at different ports are as follows:

- Our ports in Ennore and Kattupalli installed retrofitting devices in all DG sets to reduce non-GHG emissions from the DG set. Approximately ₹ 2 crore was spent to complete the retrofitting. Other ports are also in the process of installing retrofitting devices to reduce non-GHG emissions from DG sets.
- Use of rain guns for fugitive dust suppression at minerals stack yard
- Mechanised road sweeping machines
- Pre wet system before wagon tipping
- Closed conveyor system
- Tarpaulin covering of rail wagons at Wagon covering shed
- Wagon cargo loading by closed silo system
- Mechanised handling (loading & unloading) of cargo from ship
- Dust suppression system at conveyor lines and transfer points
- Water sprinkling on stack yard internal roads
- Dedicated team for housekeeping
- Use of movable mist cannon for control of fugitive emissions

**Case study: Particulate Matter (PM) emission reduction by retrofitting in diesel generator sets at Adani Ennore Container Terminal Pvt. Ltd.**

**Objective:** Reduction in particulate matter emission by retrofitting diesel generators sets in the Kattupalli and Ennore ports (aligned with UN SDG 13)



**Project description**

Diesel generators were used as backup power supply in the port operations and identified as PM emission sources. The Company reduced PM emission levels of these DG sets by retrofitting with high-efficiency equipment.

The emission control devices were tested over ISO-8178 D2 5 mode cycle procedure as per TNPCB / CPCB Guidelines. Like an Electrostatic Precipitator (ESP), PM was imparted a surface charge, which attracted oppositely charged ESP plates and accumulated PM was removed with a proprietary self-cleaning

mechanism.

**Outcomes**

Retrofitting equipment in all DG sets reduced PM emission level. Efficiency of the retrofitting equipment was observed above 90% against the TNPCB requirement of >70%.

**Methodology**



<sup>4</sup>Dahej port: [https://www.adaniports.com/-/media/Project/Ports/PortsAndTerminals/Dahej-Port/Environment-Compliance-Report/Current-Environment-Compliance-Report/Compliance\\_Report\\_Phase\\_III\\_Adani-Petronet\\_Dahej\\_-Port-Pvt-Ltd\\_April\\_21\\_to\\_September\\_21.pdf](https://www.adaniports.com/-/media/Project/Ports/PortsAndTerminals/Dahej-Port/Environment-Compliance-Report/Current-Environment-Compliance-Report/Compliance_Report_Phase_III_Adani-Petronet_Dahej_-Port-Pvt-Ltd_April_21_to_September_21.pdf) (Kindly refer Annexure 3; Page number 68 to 79); Hazira port: [https://www.adaniports.com/-/media/Project/Ports/PortsAndTerminals/Hazira-port-Documents/Environment-Compliance-Report/Current-Environment-Compliance-Report/AHPL\\_Six-monthly-EC\\_Combpliance-Apr-2021-to-Sep-2021.pdf](https://www.adaniports.com/-/media/Project/Ports/PortsAndTerminals/Hazira-port-Documents/Environment-Compliance-Report/Current-Environment-Compliance-Report/AHPL_Six-monthly-EC_Combpliance-Apr-2021-to-Sep-2021.pdf) (Kindly refer Page number 55 to 65)



### Noise management

At APSEZ, we recognise our responsibility to ensure that our operations do not cause any harm to local residents as well as the coastal ecosystems. We are committed to identify noise-related impact, reduce noise levels, ambient monitoring and regularly report the levels to the regulatory authorities. Even though noise pollution is not identified as one of our significant material issues since our operations are mostly carried out at remote locations, we are committed to identify noise-related impact, reduce noise levels, ambient monitoring and regularly report the levels to the regulatory authorities. Our permits for operating rail and road movements cover regular noise monitoring as a compliance requirement.

Vessel berthing activities and cargo handling affects the marine ecosystem. For the purpose of noise pollution detection, we carried out detailed noise mapping at our new and old ports. Additionally, we adopt other effective measures to keep a check on noise levels during these

activities. This includes ensuring that engine doors are always shut to minimise noise from ships during berthing and the adoption of relevant equipment, sound insulation and periodic maintenance of all vehicles and equipment.

Noise measurement and reporting is carried as a part of our existing environment monitoring program and we are maintaining the noise level within the prescribed level in line with our permits, licenses and standards. The noise monitoring reports are available on our Company website as a part of half yearly EC compliance report and the results are well within the prescribed limit.

### Safeguard measures practiced for management of noise

Following were safeguard measures practiced across the sites and disclosed as a part of the Company's half-yearly compliance reports kept on the Company's website:

- Procurement of machinery / construction equipment was done in accordance with specifications conforming to source noise levels less than 75 dB (A)

- All the machinery and vehicles were maintained to keep the noise at minimum
- Developed greenbelt along the periphery of the operational area.
- D.G. sets have acoustic enclosures
- Maintenance of plant machineries and equipment was conducted on regular frequency
- Noise attenuation was practiced for noisy equipment by employing suitable techniques such as acoustic controls, insulation, and vibration dampers
- High noise generating activities such as piling and drilling were scheduled during the day (6 am to 10pm) to minimise noise impact
- Any equipment emitting high noise, wherever possible, was oriented so that the noise was directed away from sensitive receptors
- Personnel engaged in construction activity were provided with appropriate PPE's (Earplugs/muffs)
- Regular ambient noise monitoring was carried as per the environment monitoring plan

## Water stewardship

Water crisis is an urgent global challenge. Most public health crises are already driven by water, including floods, droughts and water-borne diseases. Climate change is worsening the problem by intensifying floods and drought, shifting precipitation patterns, altering water supplies and accelerating glacial melt and sea level rise. In the World Resources Institute's Aqueduct Water Risk Atlas, India ranks 13 on Aqueduct's list of 'extremely highly' water-stressed countries.

The science-based strategy acknowledges the growing urgency of shared water risks and need for systemic action across the value chain. APSEZ is cognizant of the growing risk related to water, coupled with the risk of climate change which has a high potential on the financial returns should the risks surface. About 3 of the APSEZ's ports operate in water-stressed areas and more than 68% of its water is used for cargo handling (only industrial consumption).

In line with the Water Stewardship Policy, APSEZ undertakes a holistic approach towards water management to maintain and enhance the efficiency, resilience and long-term viability of assets. With the goal of being water positive, the Company endorses and commits to the United Nations CEO Water Mandate.

As part of this, the Company set the following targets to be achieved by 2025, keeping FY 2016-17 as the baseline:

- 60% water consumption intensity reduction
- 83% water withdrawal from non-competing sources
- Alliance for water stewardship certification for 12 ports
- WASH assessment for 12 ports
- 10 MLD of wastewater to be

recycled and reused

- <20% fresh water withdrawal share

Responsible water management practices allow us to deliver value to customers by maintaining the quality of cargo, maintaining the ambient air quality aggravated with dust and lastly reducing local shared resource challenges.

### Water strategy

**Water awareness:** Enhance an understanding of the challenges related to water scarcity across employees, suppliers and customers.

**Risk assessment:** Conduct context-specific, local scenario planning of water-stress risks.

**Internal action:** Take appropriate measures related to optimised water use, improve efficiency and reduce water-related pollution.

**Stakeholder partnerships:** Work with multi-stakeholder groups like local municipalities and communities to create shared resource and minimise water-related issues

### Focus areas

- Access to safe drinking water and sanitation for vulnerable communities and helping communities adapt to the water-related impacts of climate change.
- Encourage and support the local government, groups and initiatives seeking to advance the water and sanitation agenda.
- Undertake water-resource education and awareness campaigns, in partnership with local stakeholders.
- Work with public authorities and their agents to support the development of adequate water infrastructure, including water and sanitation delivery systems.
- Include a description of actions

and investments in relation to The CEO Water Mandate in the communication on progress for the UN Global Compact, making a reference to relevant performance indicators such as water indicators found in the Global Reporting Initiative (GRI) guidelines.

- Publish and report the Company's water strategy (including targets, results, and improvement areas) in relevant corporate reports, using water indicators found in GRI guidelines.
- Enhance transparency in dealing with governments and other public authorities on water-related issues.

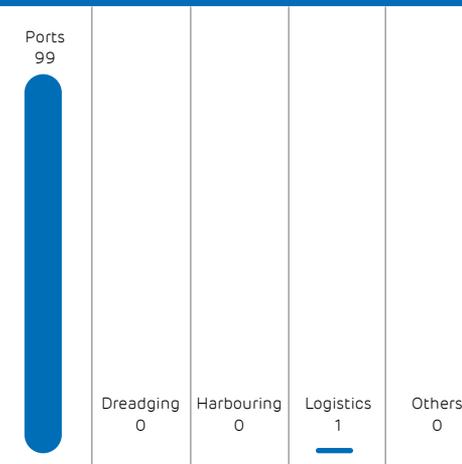
### Water performance

Although total water withdrawal increased by 27% as compared to the previous year, the Company was able to bring down its water intensity by 7%. The Company is focusing on improving the efficiency of operational freshwater use. Its ports represented 99% of total water consumption.

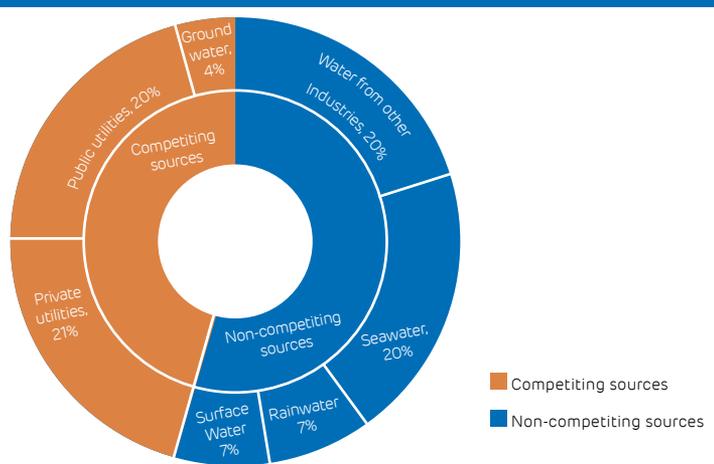
In FY 2021-22, the water intensity for port operations decreased by 7% compared to FY 2020-21. Absolute water consumption increased by 14.76 % in FY 2021-22 to 4,731 ML from 4,123 ML in FY 2020-21. In FY 2021-22, APSEZ cumulatively withdrew 5,154 ML of water, 26% more than compared to the previous year.

Sea water accounted for 21.5% and freshwater for 53% of the total water withdrawn by APSEZ in FY 2021-22. The fresh water accounted for 2,743 ML, comprising water from surface water, third-party sources and groundwater sources. The water consumption per revenue (in ₹ crore) reduced by 58% overall and 14% annually from the base year of 2016.

**Bu wise water consumption share (%)**

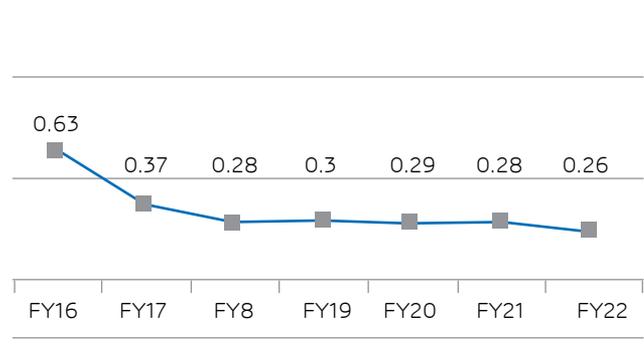


**Water withdrawal sources**

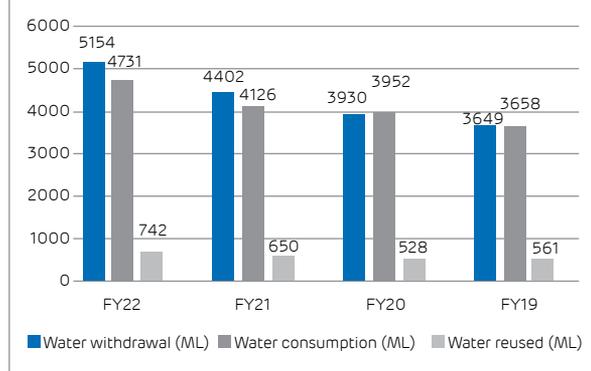


Note: Surface water is taken from source, which is at the confluence of the river and sea, marked by high salinity and not being potable, hence considered here as non-competing

**Water intensity (ML/Revenue in crore)**



**Water performance**



APSEZ conducts periodic reviews of its operational sites to understand its water impacts, risks and opportunities taking into account the availability, quantity and quality of water and any regulatory requirements. In 2021-22, we saw a 31.36% rise in surface water consumption

and a 25.8% rise in overall water withdrawal due to an increase in cargo handled.

All potable water withdrawal comes from third-party water source supplied by municipalities or groundwater.

All municipal supplies and groundwater water are categorised as freshwater with Total Dissolved Solids levels of ≤1,000 mg/L.

Indicator	FY 2024-25 target	FY 2021-22 target	Status FY 2021-22
Water consumption intensity reduction*	60%	55%	59%

\*Base year FY 2015-16

**Wastewater management**

Responsible wastewater management is critical for the safety of local ecosystems, the health of our neighbourhoods and the protection of our farmlands for food security. APSEZ has undertaken zero liquid discharge (ZLD) projects as part of its wastewater management initiatives. We are strengthening the efficiency of our ETPs to reach levels where we can convert our existing effluent treatment plants (ETP) to ZLD. Towards this, in FY 2021-22, we recycled 86% of the total wastewater generated

and increased the reuse of wastewater by 92 ML compared to the previous year.

**Water conservation initiatives**

APSEZ audited its water management process annually. Monthly water consumption by its key business units was tracked to detect spikes in water use. To reduce its reliance on freshwater, APSEZ used wastewater from various sources for operational activities that did not require potable water.

Localised site level water strategies were adopted with

a focus on reducing a reliance on freshwater and reducing water use. At our various sites, sourcing of treated wastewater from industry was also explored. Rainwater harvesting measures were installed at sites to mitigate the risk of water availability. Recognising that water conservation is a shared responsibility, APSEZ engaged with suppliers and vendors through meetings and quarterly reviews. These initiatives aimed to promote water conservation practices that complement APSEZ's water management strategy.

**Case study 1: Development of infrastructure for managing recycled water from Krishak Bharati Cooperative Limited (KRIBHCO)**

**Objective:** To reduce freshwater footprint in a cost-effective manner (aligned with UN SDG12)



**Project description**

The project with Krishak Bharati Cooperative Limited obtained treated sewage for industrial consumption at Adani Hazari Port Pvt. Ltd (AHPL). AHPL and KRIBHCO signed an MoU in which AHPL will buy 2000 KL treated wastewater from KRIBHCO. This agreement reduced our freshwater footprint in a cost-effective and environment-friendly manner.

**Activity**

Development of infrastructure for receiving recycled water from KRIBHCO by laying 18 Km of dedicated pipeline from KRIBHCO to AHPL

**Methodology**

KRIBHCO sent treated wastewater to AHPL through a pipeline and charged as per agreement and for a minimum 2000 KL/ daily quantity. If the withdrawal of water exceeded 2000 KL/daily, it was charged extra on a per KL basis at a pre-agreed rate. In FY 2021-22, 496416 KL recycled water was used in industrial applications.

<p><b>Project cost:</b> ₹1120 lakh</p>	<p><b>Estimated project benefits</b></p> <ul style="list-style-type: none"> <li>• Reduction of freshwater footprint</li> <li>• Availability of good quality of water in cost effective manner</li> <li>• Lower capex and opex with respect to alternate options, i.e. desalination</li> <li>• Hassle-free operations of pumping and pipe network system for water reception</li> </ul>
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Pipeline



Pipeline



Pump house

**Case study 2: Water management measures in port operations**

**Objective**

- Utilisation of desalinated water from the sea water reverse osmosis plant instead of freshwater for port operations
- Reusing the entire treated water of STPs, ETP and harvested rainwater for greenbelt development and maintenance

**Activity:** Water management measures adopted in port operation to sustainably manage and protect natural resources of fresh water

**Project description**

The entire water requirement for port operations was met from Chennai Metropolitan Water Supply and Sewage Board and a, desalination plant of capacity 100MLD. There was no dependence on fresh water (surface water or bore water) for port operations.

Domestic wastewater was generated from various sources such as washing water from canteen and toilet flushing water from the office buildings, properly treated in sewage treatment plants of the total capacity of 45KLD and the treated water was reused for gardening purposes after confirming that the water quality parameters were well within the prescribed norms.

A high efficiency effluent treatment plant with treatment capacity of 50KLD was installed to treat effluents generated during liquid tank washings; the treated water was reused for gardening.

**Methodology**

**Desalination plant:** The main source of raw water for the Kattupalli port was from the CMWSSB 100MLD desalination plant adjacent to the Kattupalli port. Sea water was treated through Reverse Osmosis.

**Sewage treatment plant:** Domestic wastewater was treated in packaged sewage treatment plants and treated water was reused for gardening.

**ETP:** Effluents were generated during liquid tank washings in a high efficiency effluent treatment plant of 50KLD capacity through processes like Stage-1 RO, Stage-2 RO and a multi-effective evaporation process.

**Outcomes**

- MIDPL utilised desalination water for port operations
- There was no dependence on fresh water
- Treated water from STPs and ETP was reused for gardening
- Harvested rainwater from the rainwater harvesting pond was used for gardening.



50 KLD ETP



Rainwater harvesting pond



30 KLD STP



10 KLD STP



5 KLD STP

Some of the other water conservation initiatives were as follows:

Adani Marmugao Port Terminal Pvt. Ltd.					
Initiative	Capex	Expenditure	Status	Units saved	Cost saving
Installation of a drip irrigation system at plot B.	₹4,87,000	₹4,87,000	Installed	1500 KL/A (approx.)	₹1,30,000 (approx.)
To initiate pipeline laying bringing STP outlet water from Kattum Baina STP to the port to be used for plantation and sprinkling	₹2.6 crore (approximately)	Planned for FY 2022-23		250 - 400 KLD	₹25,92,000 shall be saved per annum by using STP water.
Adani Krishnapatnam Port Ltd.					
Initiative	Capex	Expenditure	Status	Units saved	Cost saving
Installation of STP units in the bank building (40KLD) and CVR complex (200KLD)	₹50 lakh	₹50 lakh	240 KLD STP units commissioned in FY 2021-22	55.34 ML of water reused	₹5.09 crore
Mundra Port and SEZ					
Initiative	Capex	Expenditure	Status	Units saved	Cost saving
ACMTPL: Sensor-based automatic on/off pump as per water level by installing water level controller at building and RMU location (2 Numbers)	No	₹44,000	Completed (Q1)	Reduction of chances for overflow (corresponding tangible saving of water based on event which may occur) Elimination of manual intervention	
Water level sensor installed in the third floor building toilet water tank to eliminate the overflow of water and manual intervention.	-	₹900	Work completed on 13.08.2021 (Q2)	1) Water saving by eliminating overflow 2) Safety enhancement by eliminating manual interventions	
Re-routing of 1 KM water supply line to bypass water leakages inside the utility drain	₹30 lakh	₹30 lakh	Successfully commissioned Q3	200 KLD of water (approximately)	Nearly ₹43.8 lakhs annually
Initiative	Capex/opex	Expenditure	Status	Benefits	
Raw water pump house automation	₹50,000	₹50,000	Completed	Avoided manual interventions to switch the pump off and eliminated the overflow which will result in water and energy conservation	

**Waste management strategy and performance**

Marine pollution has consistently been a priority for stakeholders. Ports generate waste at various stages of their life cycle from project construction through port operations. These wastes include dredged materials, garbage and oily mixtures discharged from ships, wastes from cargo operations and discharges from municipal and waterfront industry activities.

We scaled our waste management practices by reducing generation quantities and directing wastes to authorised treatment, storage and disposal facilities (TSDF). We are increasing the share of recycling and co-processing to bring down the quantity of waste disposed to landfills. Waste from ships (used oil, solid waste etc.) and waste generated from our port-related activities (hazardous waste, lead acid batteries waste, bio-medical waste, e-waste, non-hazardous waste, construction debris) are being managed as per applicable rules. Ports also facilitate ships to dispose hazardous waste directly to authorised vendors.

Hazardous waste and bio-medical waste are being disposed to authorised facilities including incineration facility as per valid permissions obtained from the State Pollution Control Board. E-waste and lead acid batteries wastes were sent to authorised recyclers in line with E-Waste Management Rules, 2016 and Batteries Waste Management Rules, 2016.

We have a legislative mandate to protect the environment within our jurisdiction, developing environmental programmes and initiatives around waste recycling and reuse. We focus our stewardship efforts on recycling waste as much as possible at the source itself. We intend to work collaboratively with organisations within our SEZ to monitor waste-related issues and develop solutions that minimise impacts on areas outside our formal sphere of control.

**Zero waste to landfill**

Across our facilities, we implemented the 5R approach (Reduce, Reuse Recycle Recover, and Reprocess) for responsible

disposal of waste.

The APSEZ initiative of 'Zero Waste to Landfill' for non-hazardous waste was based on the 5 R's principle (Reduce, Reuse Recycle Recover, and Reprocess) and achieved zero waste allocated to landfills across three sites. Bio-degradable waste was recycled and used as manure. Non-biodegradable waste such as paper, plastic, scrap etc. was sent to recyclers. Non-recyclable and non-recoverable dry waste (loose refused derived fuel) was sent to cement plants for co-processing. STP sludge was used as soil conditioner/manure. As a part of the 5R's principle, APSEZ achieved its goal of single-use plastic-free operations across nine sites.

Each business unit maintained a receptacle and strove to become zero-waste by 2025:

- Zero Unauthorised Waste Disposal (ZUWD)
- Zero Waste to Landfill (ZWL)
- Zero Waste Incineration (ZWI)
- Zero Effluent Discharge (ZED)

Strategy	Activities
<b>Reduce the use of single-use plastics</b>	Single-use plastics, including straws, wrappers, disposables and crockery items, were banned across all ports since 2021, including the SEZ at Mundra. To eliminate these items, APSEZ provided all employees with alternative solutions within its port offices and facilities. Nine port locations were certified as SUP-free as per CII Plastic use Protocol. APSEZ set a target to make single-use plastic-free sites across 12 ports + 4 ICDs + 14 ALL sites by FY 2024-25.
<b>Conversion of waste to fuel</b>	<b>Bio gas:</b> Bio gas plants in Mundra and Kattupalli serve as a foundation of our circular economy commitment, focusing on nutrient recycling and reducing greenhouse gas emissions. <b>Vermicomposting:</b> This is an effective approach for low-cost recycling and an eco-biotechnological waste management process in which earthworms collaborate with micro-organisms to convert biodegradable waste, such as processed food waste and horticultural litter, into organic manure. <b>Organic waste converter:</b> Organic waste converters are machines that turn organic waste into valuable compost for organic farming. We employed organic waste converters at three port sites for converting organic waste into green manure.
<b>Reducing paper use</b>	<ul style="list-style-type: none"> <li>• The digitisation of our communications; putting all publications online</li> <li>• Encouraging employees to refrain from waste generation and promote recycling</li> </ul>

**Waste Management**

**Waste management strategy and performance**

Marine pollution has consistently been a priority for stakeholders considering the potential ripple effect. Ports generate waste at various stages of their life cycle-from project construction through to port operations. These wastes include dredged materials, garbage and oily mixtures discharged from ships, wastes from cargo operations and discharges from municipal and waterfront industry activities.

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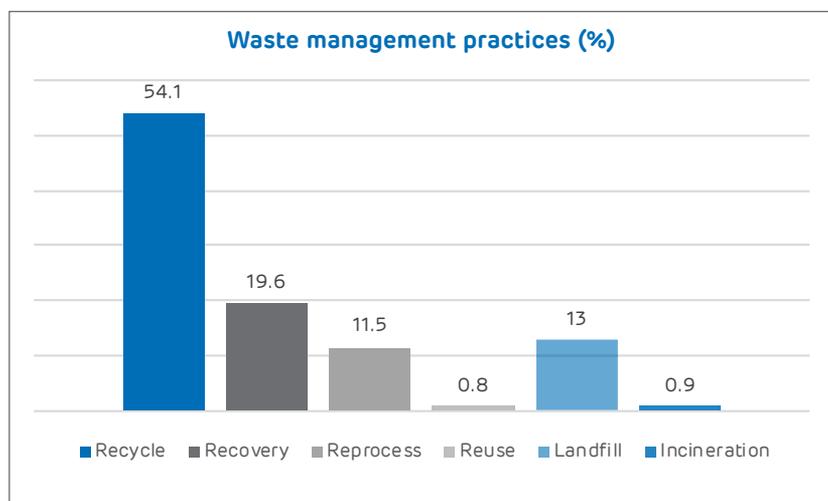
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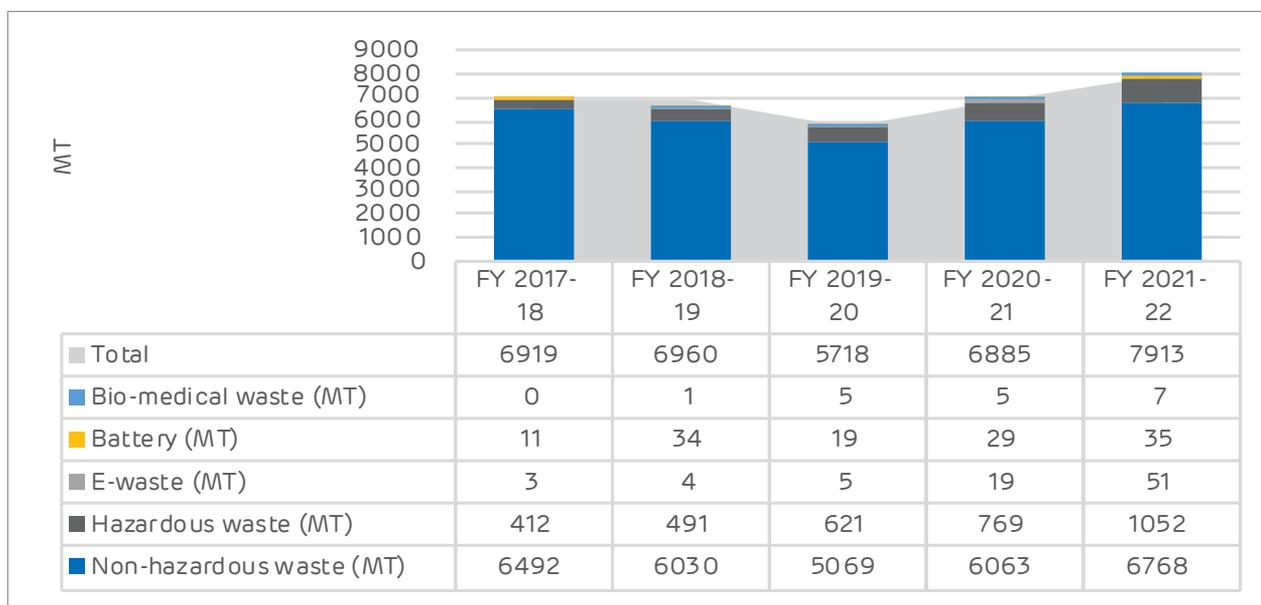
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**Waste performance**

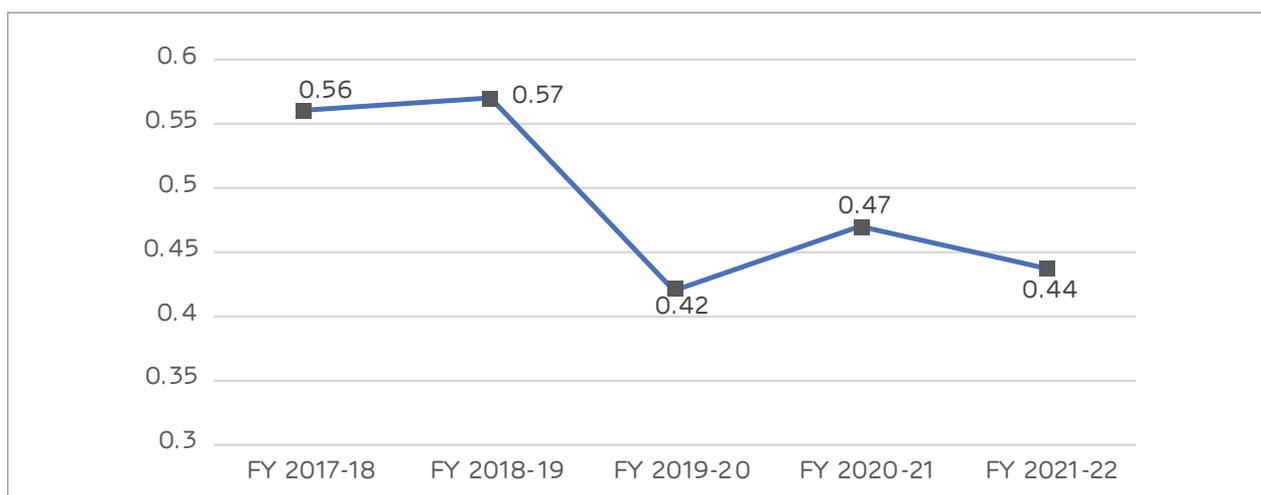
In FY 2021-22, total waste disposal increased 14.93 % over FY 2020-21. Some 86% waste was handled using the 5R principles; 1%, 12%, 54% and 20% waste being reused, reprocessed, recycled and recovered respectively. Some 1% waste was incinerated; 13% waste was landfilling. The performance was impacted due to the incorporation of the newly acquired Krishnapatnam port. Th Company will implement APSEZ's best practices of waste management at Krishnapatnam and other acquired ports.



**Waste disposal**



**Waste Intensity (MT/Revenue in crore)**



In FY 2021-22, the Company disposed 1052 MT of hazardous waste, 6768 MT of non-hazardous waste, 35.1 MT lead acid battery waste, 6.9 MT biomedical waste and 50.9 MT e-waste. Additionally, 5640 MT of metal scrap was sold for onward recycling. APSEZ targets to reduce waste intensity 30% (from the 2017-18 level) by 2025 across our ports.

Indicator	FY 2024-25 target	FY 2021-22 target	Status FY 2021-22
Zero waste to landfill	12 ports	6 ports	6 ports (completed)
Single-use plastic-free sites	12 ports + 4 ICDs + 14 silo sites	11 ports + 4 ICDs	9 ports (completed) + 4 ICDs (in progress)

### Case study 1: Single-use plastics free and zero waste to Landfill

#### Objectives:

- Identifying the challenges and barriers for reducing plastic waste in mixed waste and residual waste streams, stimulating the prevention and recycling of plastic waste.
- Promoting the recycling of plastic polymers as a substitute for virgin plastic.
- The zero-waste approach seeks to maximise recycling, minimise waste, reduce consumption and ensures that products are made to be reused, repaired or recycled into nature or the marketplace

#### Project description

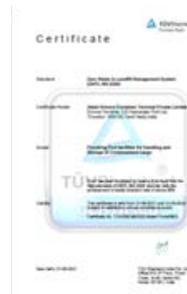
Through the Integrated Waste Management System in place, we strive towards 'Zero Waste Inventory' as per the 5R's principle (Reduce, Reuse, Recycle, Recover and Reprocess).

#### Methodology

Identification of various sources of waste and sustainable techniques by which these wastes can be managed was carried out, to achieve the milestones related to zero waste to landfill as well as single-use plastic free port certifications. Having understood the entire concept of zero waste to landfill, a firm commitment was given by the management to implement the sustainable waste management techniques. Single use plastics were fully banned inside the port premises.

#### Outcomes

- Marine Infrastructure Developer Pvt. Ltd. (MIDPL) established Integrated Waste Management System for the collection, segregation, storage and disposal of dry solid waste and hazardous waste.
- The segregated recyclable wastes like paper, plastic, cardboard, PET bottles, glass etc., were sent to authorised recyclers
- Wet canteen wastes were sent to the in-house biogas unit of 6m<sup>3</sup> capacity; the biogas was utilised in the canteen as fuel.
- Marine Infrastructure Developer Pvt. Ltd. (MIDPL) and Adani Ennore Container Terminal Pvt. Ltd. (AECTPL) is a single use plastic (SUP) free certified port by CII-ITC Centre of Excellence for Sustainable Development.



### Case study 2: Installation of organic waste converters

**Objective:** Recycle/reuse/repurpose waste material

#### Activity

Installation of organic waste converters for the conversion of kitchen/organic waste to valuable manure/compost.

#### Project description

Organic waste converters convert organic waste like vegetable waste, meat waste, bakery waste, leaves, fruits and fruit skins and flowers into valuable compost used in organic farming. In Dhamra Port Company Limited (DPCL), we installed an organic waste converter with a cumulative capacity of 600 Kg/day to process kitchen/organic waste generated from township, port canteens and collected from ships into manures/compost for in-house use in horticulture and nursery.

#### Outcomes

During FY 2021-22, 159 MT kitchen waste was processed and 56 MT of manure/compost generated was used by the horticulture department as manure for the development of nursery and greenbelt, reducing a dependence on chemical fertilisers.

# Biodiversity and land use

## Overview

The port sector can impact biodiversity and land-use. Impacts could vary from degradation, fragmentation to loss of ecosystems, contamination and disturbance to species. Coastal urbanisation leads to the destruction and fragmentation of inter tidal and shallow habitats with the loss of associated ecological functions.

APSEZ is positioned at the leading edge of environmental stewardship. The Company is cognizant of the fact that

disturbance from construction activities, dredging and berthing could displace fishery resources and other mobile bottom biota. While these impacts cannot be completely avoided, their severity can be minimised. Biodiversity and land use have been identified as critical material topics by the Company.

### Ambition: To become biodiversity-neutral

- Mangrove conservation and afforestation areas increased to 2850 Ha and 3390 Ha respectively, covering

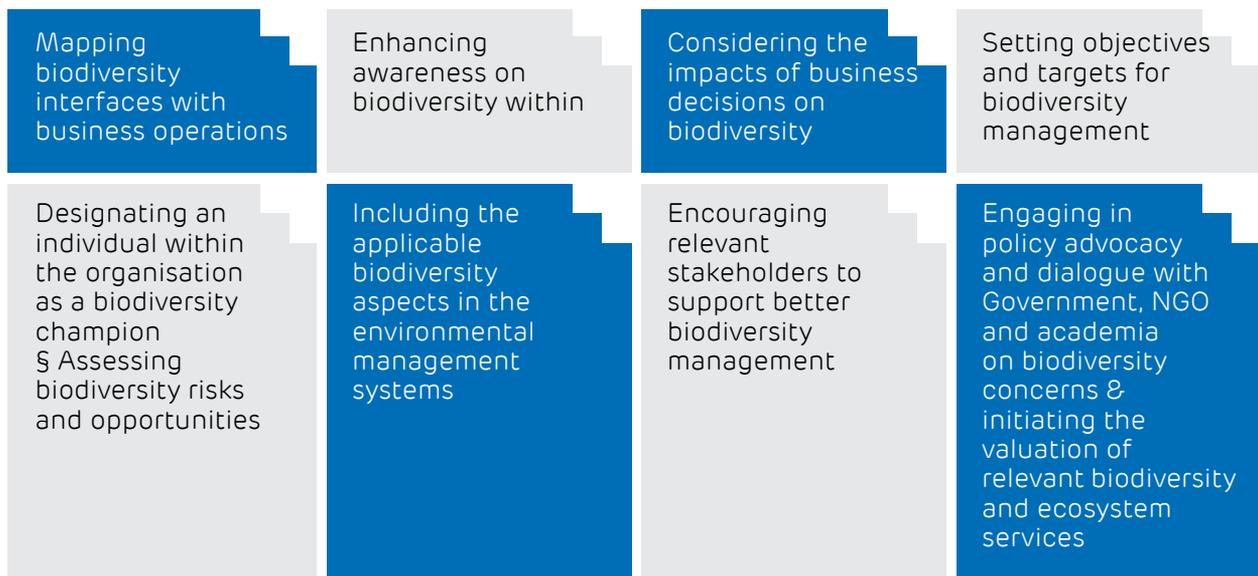
Mundra, Tuna, Hazira, Dahej Krishnapatnam and Dhamra Ports

- Restoration project initiated on 10 Ha grassland ecosystem at Kutch in Gujarat
- A butterfly park inside our Dahej port comprises a species evenness of 0.98
- Reported a significant dolphin count around the Dhamra port with a significant jump
- Average turtle nesting near the Dhamra port more than doubled since APSEZ ownership

Indicator	2025 target	FY 2021-22 target	Status FY 2021-22
Terrestrial plantation	1200 Ha	1000 Ha	1000 Ha
Mangrove afforestation	5000 Ha*	3200 Ha	3239 Ha

\*We have taken a more ambitious target, increasing it from 4000 Ha to 5000 Ha

## India business & biodiversity initiative



As a signatory to the India Business & Biodiversity Initiative, we strive to increase the climate resilience of the marine and coastal ecosystem. In line with this, we have set the following targets to be achieved by 2025:

**Goal: To minimise the severity and magnitude of the highest net biodiversity value.**

Potential impacts of ports on biodiversity cover a wide range – from degradation, fragmentation or loss of ecosystems and their services due to the land intake of port infrastructure, over contamination till the intrusion of invasive species, for which ports are one of the main entry points. Direct spatial impacts include loss of habitats due to infrastructure developments and dredging activities. Indirect impacts comprise disturbances due to maritime transport operations. To avoid potential impacts, we have integrated biodiversity impacts assessment right from project planning to avoid conflicts, costs, and delays.

**Management of biodiversity impacts**

**Objectives of biodiversity management**

- To promote the sustainable management of land and natural resources that integrate conservation needs and development priorities throughout APSEZ construction, operation and decommissioning activities
- To undertake reasonable measures to avoid and minimise the direct and indirect impacts of a project/site development, operation and decommissioning activities on land use, terrestrial

and aquatic habitat and biodiversity (including, but not limited to, shoreline vegetation, wetlands, coral reefs, fisheries, bird life, and other sensitive aquatic and near-shore habitats, etc.)

- To protect and conserve biodiversity and ecosystem services (including alteration and/or fragmentation of areas of high biodiversity value) within and in the surroundings of APSEZ project/site influence areas.
- To improve environment conservation through knowledge building and sharing through multi-stakeholder partnerships. As our commitment towards No Net Loss, we are trying to mitigate potential risks and footprint.

**Biodiversity impact assessment**

APSEZ conducts regular biodiversity assessments of its ports through authorised institutes having expertise in ecology and biodiversity such as GUIDE - Gujarat, CAMB - Chennai, SDMRI - Chennai and NIO – Goa.

For every expansion/new project, the Company carried out detailed biodiversity assessment studies covering terrestrial and marine ecosystems. In addition, APSEZ conducted a systemic identification of biodiversity priority areas beyond the Company's activities. The Company considered the following environmental components as a part of an informed decision process: noise, sediments, ground water, surface water and water bodies, species and habitat with special status, terrestrial resources, wetlands, aquatic resources, current use of lands and resources for traditional

purposes, and accidents and malfunctions. This helped in the identification of potential impacts and preparation of suitable mitigation plans. Progress on mitigation plans was monitored and reported regularly.

At APSEZ, Natural Capital Action Plan (NCAP) was prepared for the Mundra and Dahej ports, based on a monitoring of three seasons of data in a year, covering terrestrial and marine flora and fauna. The impact was identified and categorised in high, medium and low impacts.

**Training & Awareness**

APSEZ conducted training programmes through institutes like NEERI and IUCN - Leaders for Nature on specific biodiversity areas such as Indian and global biodiversity standards, legal requirements, biodiversity impact assessment and management plans. The Company's biannual leadership program Shikhar converged environment professionals across sites to enhance their knowledge on topics related to environment and sustainability.

**Biodiversity Management Plan (BMP)**

APSEZ developed ESMS as per IFC Performance Standards and the Equator Principles. As part of the ESMS, framework on Biodiversity & Land use was developed. In line with ESMS site-specific Biodiversity Management Plans for Mundra, Dhamra, Hazira, Kattupalli and Vizhinjam were developed and were under implementation. These sites covered ~75% of our cargo handling.

**Case study: Ecosystem restoration through the development of degraded forest patches and he conservation of mangroves**

**Objective:** Ecosystem restoration

**Activity**

Development of degraded forest patches and the conservation of mangroves adjacent to the port boundary by Dhamra Port Company Limited (DPCL)

**Project description**

DPCL invested in environment protection, management and conservation. The Company protected the natural environment by planting trees /developing degraded forest patches. DPCL developed tree plantation in a degraded forest adjacent to the port boundary, restoring and developing green vegetation (220 acres); 9 hectares of mangrove area was conserved.

**Outcomes**

- During FY 2021-22, DPCL planted around 70,000 trees with species like Casuarina equisetifolia and Terminalia arjuna covering 29 hectares and spending around ₹43 lakhs with a 90% survival rate.
- Around 4000 mangrove trees were planted for gap filling for the conservation and protection of mangroves.

**Case study: Conservation of Kanika island**

**Objective: Biodiversity conservation**

**Activity**

Conservation of Kanika island by Dhamra Port Company Limited

**Project description**

A small island Kanika Sand is located to the east of the port and provides tranquillity to the harbour for which no breakwater is required. The island was about 2 kms from the berth face of the port towards the east. The newly formed island is oval and is 5km along the N-S axis and 2.7 Km along the E-W axis at maximum. Being a recent landmass, it is subject to frequent changes that modified the soil texture and increased ground level. Such geomorphologic changes affected the floral and faunal diversity and warranted appropriate interventions.

**Outcomes**

- During FY 2021-22, DPCL provided two rowing boats and one motorboat along with a vehicle to the forest Department for the protection and conservation of Kanika Island.
- DPCL extended budgetary support for the conservation of Kanika Island.

**Case study: Ecosystem restoration of grassland ecosystem at Kutch**

APSEZ committed to nature-based solutions by investing in 'Ecosystem Restoration of Grassland Ecosystem in Kutch, Gujarat, to support livelihoods, fight the climate crisis and enhance biodiversity.

APSEZ, in collaboration with Gujarat Ecology Society (GES), a non-profit organisation based in Vadodara, Gujarat, proposed pioneering steps in building sustainable growth in Kutch, by restoring the natural grassland habitats (ecological restoration) along the Guneri village. This will not only conserve the flagship species but will also help in the indirect conversation of all species. Additionally, the pressure on inland mangroves will also be controlled, indirectly conserving the broader landscape.

The project involved ecological restoration across Gauchar land of 40 Ha in Guneri village. A separate conservatory area for the conservation and maintenance of a seed bank pertaining to local endemic species will be created. The duration for the implementation of the project will be 2021-2025.

**Project benefits**

-  Conservation of local endemic species
-  Supporting livelihoods of the local community
-  Indirect protection to the nearby inland mangrove forests
-  Development of self-sustained model
-  Can be declared as **Indigenous and Community Conserved Area (ICCA)** in future

**Overall objective**

- Development of Indigenous and Community Conserved Area (ICCA) for the first time in Kutch.
- Conservation of endemic species and development of a gene bank
- Conservation of inland mangroves, catalysing grasslands development

**Activities completed**

- Stakeholder consultation for the identification of 40 Ha for restoration (Bhatadagadh and Chhachh area).

- Capacity building of local residents to undertake work
- Soil treatment using natural and traditional methods (cow dung mixture, organic compost and other components), improving soil quality. Organic carbon increased 60% and water holding capacity 47.33%
- Grass seed balls were made by mixing grass seeds and manure; these were planted in 10 Ha area.
- Seeds for rare and endangered grass species (*Campylanthus ramosius* and *Helichrysum kutchicum*) were collected;

a seed bank was created for further plantation.

- As per a flora survey, some 33 species of trees and shrubs were recorded and around 37 species of herbaceous layers were recorded.
- In Guneri village, 7 mammals, 4 reptiles and 58 avi-fauna species were recorded

This activity will be carried out in the remaining land parcels and an analysis of the soil and monitoring of flora & fauna will be carried out to check the positive impact of the improved land use and ecosystem restoration efforts.

**Case study: Flourishing marine biodiversity near Dhamra Port**

Dolphins are aquatic mammals (Cetacea gp.) due to the presence of mammary glands. Dolphins are found in sea and fresh water or brackish water. Dolphins are socially skilled, intelligent, agile, joyful and playful creatures that share emotional similarities with humans. There is an impressive range of different dolphin species with unique characteristics.

**Annual dolphin census**

The annual dolphin census started in 2015 and was carried out in Bhitarkanika National Park and Gahirmatha marine sanctuary areas. The dolphins census depends on sighting that is dependent on weather conditions on the day of the census.

The enumeration team used binoculars, GPS sets, rangefinder and data recording sheets.

**Sighting locations**

The annual dolphin census near the Dhamra Port was conducted in the sea between Dhamra and Devi River mouth as well as in the rivers and creeks/estuaries within the Bhitarkanika Mangrove Wetland and Gahirmatha Marine Sanctuary (dolphins are commonly sighted in water bodies in Khola, Nalitapata, Dhamara and in the sea near Satabhaya, Pentha, Agaranashi, Eakakula, Hukitola and other sanctuary pockets).

**Species of marine dolphins**

Five species of marine dolphins were recorded in the area. The common species encountered

comprised the Indo-Pacific humpbacked dolphin (*Sousa chinensis*). The other four species of marine dolphins found in coastal waters off Gahirmatha comprised Irrawady dolphin (*Orcaella brevirostris*), Pantropical spotted dolphin, Common dolphin (*Delphinus delphis*) and Finless black porpoise (*Neophocaena phocaenoides*).

**Protection status**

Dolphins were included in Schedule I of the Indian Wildlife (Protection) Act 1972, in Appendix I of the Convention on International Trade in Endangered Species (CITES), in Appendix II of the Convention on Migratory Species (CMS) and categorised as 'Endangered' on the International Union for the Conservation of Nature's (IUCN) Red List.

Year	Dolphin sighting	Species
2015	270	58 Irrawaddy dolphins, 23 bottle-nose dolphins, 123 Sousa chinensis dolphins, 50 Sousa plumbea dolphins, 15 Pantropical spotted dolphins and one Finless porpoise dolphin
2016	-	Survey not conducted
2017	-	Survey not conducted
2018	307	-
2019	126	14 Irrawaddy dolphins, 14 Bottle-nose dolphins and 98 Bumpback dolphins
2020	62	60 Irrawaddy dolphins and only two Bottle-nose dolphins
2021	342	39 Irrawaddy, 22 Bottlenose and 281 Humpback dolphins
2022	540	45 Irrawaddy, 135 Bottlenose, 332 Humpback, 13 striped and 15 spinner Dolphins



### Dhamra port and stakeholder engagement

Rampant trawling/mechanised fishing boats are a threat to dolphins and sea creatures. There is a ban on fishing and trawler movements near the shore during seven months (November to May). The hunting of dolphins is strictly banned and regular patrolling is carried out to monitor any threats to the population. The Dhamra port encourages fisher folk to comply with the fishing ban. Trawlers are provided to the Forest Department for patrols. Awareness and conservation programmes are conducted within surrounding communities.

### Prevention of spills

#### Aim: To prevent soil and water pollution and prevent disaster

All our ports have oil spill contingency plans in place. We have institutionalised an Oil Spill Action plan, in accordance with the National Oil Spill Disaster Contingency Plan (NOS-DCP) and International Petroleum Industry Environmental Conservation Association to prevent and reduce spills (oils, lubricants, fuels, and other oily liquids) associated with activities like anchoring, berthing and cargo handling.

We also take into account oil spills that may start on land and reach the shore areas. Oil spills on land have the potential to contaminate the environment, affect soil aeration conditions and kill flora and fauna. If any oil spill incident is observed on land, immediate control and clean-up of the oil spill is done. A controlled oil spill is less likely to reach sensitive marine habitats. However, we have designed our systems, including facilities supplied by third parties to meet the highest international pollution prevention design and operation standards to prevent any irreversible environmental damage that could adversely affect marine eco system and could have heavy legal penalties. APSEZ did not suffer any spillage during FY 2021-22.

### APSEZ's 7-point Oil Spill Action Plan

- Leak proof containers for transporting waste internally and externally
- Closed containers for storage and transportation of hazardous wastes like used/ burnt/ furnace/ transformer/ light diesel oil
- Proper stacking of containers
- Use of tarpaulin to cover the waste-loaded transportation vehicle
- First-aid box in the case of minor injuries
- Periodic inspection to identify potential spills, including the maintenance and replacement of existing containers
- Adopting a safe working procedure during handling and operations

# How APSEZ has been structured to enhance the customer value proposition

## Overview

At APSEZ, we have positioned ourselves as a port of choice. We offer a complement of services supported by state-of-the-art technologies, best-in-class infrastructure, automation and efficient time management.

Customer centricity is core to our solutions and service offerings. We have been continuously engaging with customers to understand needs, design customised solutions to meet specific needs e.g. we dedicated a customised warehouse to store steel coils for one of the largest car OEM in India. We deployed multiple assets under the GPWIS catering to exclusive customer requirements. We are providing an end-to-end integrated logistics

solution for liquid import for one customer, which includes storage at port, handling, liquid cargo movement from point (port) to factory terminals in tank containers.

At the heart of the Company's strategy to retain customers has been its ability to enrich the customer's delight. In terms of the operating model, supply chains were affected by COVID-19. We used this opportunity to contemplate how our supply chain could emerge as a competitive advantage. The basis of this assessment was to become more agile in response to changing customer needs and pressures from governments to bring production closer to home. Many direct customers, particularly those with complex supply chains,

faced issues related to continuity, uncertainty and disruptions. APSEZ, as an integrated logistics player with downstream supply chain nodes in its control, is positioned to leverage economies for the customer's benefit – a safe, transparent and efficient delivery of cargo at a lower cost, strengthening the customer's logistical competitiveness. The management graduated to a service-driven mindset - a first mile and last mile solution provider where the combination of port facilities, multi-modal logistic parks, warehousing, rail network, fully serviced industrial economic zones and product distribution fed off each other. The way we serviced our customers remained, comprising safety, speed and delight.

Input	APSEZ activities	Output	Outcome
<b>Manufactured capital</b> Plug and play infrastructure Provide port, logistics and SEZ ownership	<b>Integrated model</b> <ul style="list-style-type: none"> <li>• Ports</li> <li>• SEZ</li> <li>• Logistics</li> </ul>	Revenue predictability Guaranteed turnaround time Low cost	Safety Speed Delight Stronger pricing power Customer retention
<b>Intellectual capital Automated</b> Cargo tracking Single-window service Data driven analytics Cost tracking tool	Container Tracking System Service Portal's systematic data recording and monitoring	Low turnaround time One-stop service Systematic data management and presentation Real-time cost estimation	Faster operations Ease of doing business Timely decision making Customer trust
<b>Natural Capital</b> Shore power Waste disposal systems Access to energy Water management	Grid power to tugs 5R-based waste collection and disposal 24x7 power supply	Electrification Zero waste to landfill Continued operations	Emission reduction Waste management Customer satisfaction

**Over the years, the Company implemented various initiatives:** its 'smart port' initiative leveraged IoT devices; data analytics were used to deliver a seamless multimodal convenience; its use

of sophisticated IT tools (APMS, SAP and Mercury, among others) enhanced customer service and real-time cargo value-chain visibility. Besides, the Company's web-based mobile application

(Vessel Cargo Tracking) empowered customers to monitor port-based vessels and cargo status.

# Investing in digital technologies to enhance customer delight

*How APSEZ has built a robust technology-led service platform*

## Overview

At APSEZ, we fused hard infrastructure with cutting-edge software to enhance customer delight. What made the Company's approach distinctive was its willingness to extend the application of cutting-edge technologies beyond conventional

applications and leverage the use of advanced technologies for unprecedented applications within the infrastructure sector. A combination of these approaches revolutionised the use of cutting-edge technologies in the normal port operations and graduated the customer experience towards enhanced

safety, speed and delight. The complement of the use of Internet of Things, drones, Long Range Radio (LoRA), video analytics and complex optimisation algorithms were used in Mundra port. These complemented and made the Company's ports 'smart'.

**LoRA and RFID Mesh:** The Company implemented LoRA and RFID Mesh technology to establish a wireless network with which sensor devices could connect. It piloted the tracking of high value containers in real-time, monitoring and detection of air pollution, automatic energy management and vehicle movement control, among other applications.

**3D scanning technique:** 3D mapping technique was explored to obtain real-time profiles of bulk piles in the stock yard which could be used for effective yard planning. Using this, the Company measured the area occupied/ available for cargo, volume occupied, stowage factor and estimated cargo weight at any given point

**Algorithmic optimisation:** The Company tested algorithmic optimisation to create dynamic vessel plans implemented through a central control room for the optimal utilisation of port equipment.

**Video analytics:** To minimise human intervention errors, advanced video analytics were used for test cases including intrusion, tempering, over-speeding, trespassing, fire, smoke, colours, number plate identification, vehicle identification and crowd movement etc.

## Integrated Transport Utility Platform

To strengthen our digital footprint and ensure seamless connectivity to our ports and other logistics infra, we are developing an Integrated Transport Utility Platform (ITUP) for our customers.

Major e-commerce players already have a platform that tracks ordering, packaging,

delivery, and post-delivery.

Our ITUP platform while being built for end to end connectivity, measures the productivity of the mentioned activities and records any deviation in real time.

We envisage that our ITUP will be an integrated platform, which will act as a market place for all customers and suppliers.

It will provide complete visibility on the entire Chain of Custody of consignments, options on the logistics cost, delivery time, carbon footprint, and so on.

The system will put customers at the centre and enable decision-making in their hands, enabling a complete transparency for the ease of doing business.

# Engaging customers in our 'green' initiatives

*How APSEZ has enhanced respect for its environment responsibility*



## Customer satisfaction survey

We focus on putting the customer first in the dynamic business environment, where our business faces stiff competition due to its global presence. We strive to understand our customers, their hopes and aspirations, which is why we work hard to maintain long-term relationships with them through regular customer interactions and surveys to solicit customer feedback based on performance indicators, while also developing services to meet their expectations. Customer satisfaction is a key financial driver. We continue to engage

and access feedback, using their satisfaction levels as barometers of our performance with a target to achieve a customer satisfaction score of 4.75/5 by 2025. The results of our most recent Customer Engagement Survey for upstream and downstream customers are listed on the next page. This year we modified the survey methodology and associated target.

A Customer Satisfaction Survey FY 2021-22 was conducted, covering upstream and downstream customers linked to our container cargo, liquid cargo, dry cargo, SEZ, dredging and

logistics business verticals. The objective of our survey was to capture customer compliance on ESG parameters, their alignment to sustainability goals of APSEZ, gauge customer's credential on various ESG parameters, measure customer satisfaction levels in various aspects of our services and identify areas of improvement.

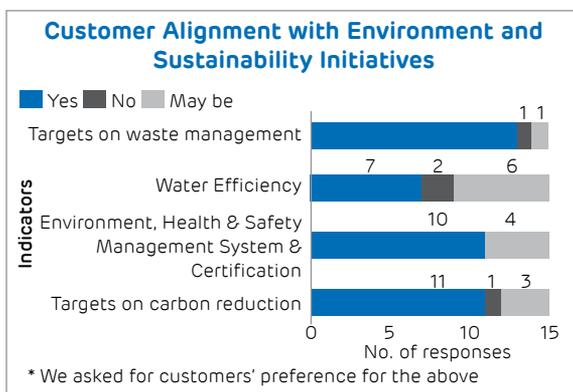
Target for customer satisfaction score by 2025

**4.75/5**

### Survey topics and key findings

A summary of the survey questionnaire sent to customers has been carried below.

<b>Customer's ESG credentials and alignment to APSEZ's sustainability goals</b>	Customer's policy on quality control, health & safety and respect for human rights at workplace, including due diligence Carbon emissions, water use, other environmental indicators, and the corresponding targets Certification on environment, safety, etc.
<b>Infrastructure, operations and allied services</b>	Availability of various dredging equipment Condition of the dredging equipment, environmental consciousness, delivering time and accuracy IT and Hydrographic survey etc.
<b>Value enhancement</b>	Pricing, easiness, environmental and social practices, customer feedback, etc.
<b>Other processes</b>	Parameters influencing the use of our services, suggestions and scope of improvement.
<b>Policy awareness</b>	Environmental Policy, Energy and Emissions Policy, Water Stewardship Policy, etc.



How customers rate APSEZ's transparency and communication mode



### Customer data privacy

APSEZ put a premium on customer data privacy and security. Data privacy was covered as a part of our Cyber Security Policy, which, amongst others, also informed stakeholders as to how APSEZ managed data in line with the applicable regulations and best global practices. Customers and business partners were empowered to connect with the APSEZ team through email and phone on matters concerning their personal data.

**Customer data captured:** Name, address, email, mobile number, bank account number, PAN, and GST number.

**Purpose of capturing data:** This was required for raising an invoice to customers for services rendered, and receipt of payments against those invoices.

**Data handling & storage:** For active customers, data remained in the system and thereafter the information in the system was blocked. We did not disclose any customer information to a third party other than the government agencies for any statutory compliances in line with the country's law-for example, sharing of PAN and GST number while filing the tax reports and returns.

In FY 2021-22, there were zero substantiated incidents concerning breaches of customer privacy, theft, leak and loss of customer data or critical information.

# How we invested in cutting-edge technologies to provide a futuristic customer experience

*APSEZ banked on innovation that helped create a distinctive operating culture*

## Technology

**Superior information access:** Our IT systems provided the following information - Cargo status report; SMS-based VCN status; Vessel declaration and auto PAA; auto alerts on compliance; vessel closure and NOC; weather reports on SMS

**Auto-steering for RTG:** We installed a laser-based feedback system that minimised the zig-zag movement of RTGs. The stack profiling system analysed the height of the stack and prevented collision with RTGs through automatic immobilisation, enhancing safety and equipment efficiency.

**Remotely operated robotic e-RTG:** We employed cranes in our ports that could be operated remotely, enhancing our technology capability

**Dredger technology modification:** When maintenance dredgers became critical, we converted a CSD to WID without external fabrication, saving crores of rupees in capital expenditure.

**Container Position Detection System:** We modified existing e-RTGs to account for 50,000 possibilities of a container in our yard and relayed to the TOS, avoiding delays and errors

## Relevance

**Complex cargo management:** We developed the expertise in handling special cargo ranging from metro rail bogies to helicopters, cranes and wind turbines, among other applications.

**Berthing capacity:** We developed a capability to address futuristic vessels – especially large - at the design stage, future-proofing our ports.

**Neem oil urea coating facility:** We developed a facility to handle 35,000 MT of coated urea per day, capable of filling 11 rakes of 52 wagons each, in line with the national priority for the fertiliser sector

**Anti-lift mechanism for twin 20 ft container:** We introduced a photo sensor in the management of RTGs equipped to lift two 20 feet containers in one go, enhancing judgment calls and safety.

## Pioneering

**First floating Ro-Ro terminal:** We launched India's first Ro-Ro terminal that could be operated 24x7 even with a sea level variation as high as 6m

## Environment friendliness

**Berthing aid system:** We created a laser sensor system to provide graphical information using customised software (developed at a quarter of the prevailing cost) to provide information (berthing velocity, distance and approach angle) and maintain low berthing velocity (less than 0.1 m/s) to avoid collision.

**Automatic hydrocarbon gas detectors:** We designed a system to detect the number of gaseous hydrocarbons in the ambient air, integrated with the SCADA system to provide real-time information and raise automatic alarms when necessary

**Zero vessel-waste dump:** We completely (100%) treated and recycled solid and liquid waste generated by incoming vessels.

## Scale

**Largest dredging capability:** We developed the largest dredging capacity in India (equivalent to 80 times the Vatican City by size)

# How we secured our supply chain leading to a consistent customer experience

*APSEZ banked on an ESG-driven approach to enhance agility*

## Overview

As a key node to the global supply chain, we have been inspired to rethink ways of working, where the greatest threat in navigating

disruptions is acting with a conventional approach. We are helping clients become agile by building resilient and sustainable

supply chains. Our ESG-driven approach and integration of key qualifiers improved our supply chain and profitability.

## Vendor development

At APSEZ, we seek to optimise efficiencies and deliver maximum value for customers by nurturing relationships with partners and suppliers. We work to ensure that business is conducted responsibly across the supply chain. This includes auditing suppliers to make sure they comply with our

Supplier Code of Conduct. The result is risk mitigation for APSEZ, suppliers and customers, which, in turn, secures a commercial advantage for our business.

APSEZ intends to focus on securing its supply chain, develop a strategic supplier

relationship framework and look for opportunities to leverage the strength of suppliers for collaborative value generation. Our relationships are essential to our vision of making Adani Ports the largest port Company utility in the world by 2030.

## Strategy and management

At APSEZ, we are convinced that we can only establish sustainable procurement practices when there is a fundamental recognition of this responsibility, as well as adopting the right attitude and building skills and knowledge. Our sustainable procurement strategy is centred on our comprehensive risk management and compliance approach. The aim is to apprehend the sustainability performance and risks of our suppliers as a basis for fact-based decision-making in sourcing processes and the awarding of contracts. The transparency gained in this area also benefits risk management and risk mitigation, as well as a dialogue and cooperation with our suppliers.

With respect to climate action, we are making a valuable contribution to a low-carbon economy by driving a reduction in greenhouse

gas emissions in our supply chains and implementing appropriate sourcing solutions. In particular, our Purchasing department makes a valuable and active contribution to social progress by demanding and promoting sustainable business practices and respect for human rights along the entire value chain.

We expect our business partners to conduct their business in alignment with our sustainability goals and priorities. In selecting and working with our business partners, we also considered their performance with regard to safety, health, environment, social standards and fair business practices. Our corporate purchasing standards applied to service and material vendors, including those who work on our premises. We supplemented these with Group's sustainable

procurement guidelines related to responsible sourcing. Our environmental, occupational health & safety and human rights policies encouraged vendors to address our requirements. All the suppliers and vendors were required to adhere to APSEZ's Supplier Code of Conduct, which provided comprehensive guiding principles and embodied our commitment to internationally recognised standards, including UN Global Compact, the core conventions of the International Labor Organisation (ILO), United Nations' Universal Declaration of Human Rights and prevalent industry standards for our vendors and suppliers. The Chief Procurement Officer was responsible for all procurement activities and responsible supply chain management. He reported directly to the CEO.

**Key highlights**

**63%:** Total local procurement spending (State perspective)

**62%:** Proportion of local suppliers

**4,532:** Total suppliers

**1,579:** Business partners assessed on ESG parameters in FY 2021-22

**184:** Critical Tier 1 suppliers

**Goal:** Implement sustainability-based vendor ranking / scoring system for procurement by 2025

Environment policy, Climate Action Plan and Water Management Policy for the entire supply chain by 2025

**Material topics**

- Human Rights
- Energy management
- Climate change
- Labour practices
- Health and safety
- Water management



Reflecting our commitment to use resources more efficiently, and respect health and safety in our supply chain, our Adani Group's Responsible Procurement Guidelines set out requirements for the selection of vendors and suppliers across business operations.

The Sustainable Procurement Policy and Supplier Code of Conduct provides comprehensive guiding principles for our vendors and suppliers to comply with APSEZ's expectations of ethical standards, covering following areas:

- Health and safety
- Bribery & corruption
- Environmental sustainability
- Legal compliance
- Human rights
- Equal opportunity
- Working hours & wages
- Child labour
- Human trafficking
- Freedom of association
- Conflicts of interest
- Ethical behaviour

**Sustainability**

At APSEZ, we outlined supply chain management sustainability KPIs and targets for Tier 1 suppliers (high-dependency direct vendors with whom the Company had large volume engagements). The Company's system recorded all suppliers' ESG parameters, verified them and improved by sharing necessary knowhow, received critical components and services or were difficult to substitute. Through procurement decisions, the Company encouraged suppliers to embark on sustainability-linked measures. It is targeting to implement a sustainability-based vendor ranking system and use it in all procurement decisions from 2025 onwards.

KPIs	Target
1. Quality Management, Environment and Safety Certification	Achieve 100% coverage by 2025
2. Environment policy, Climate Action Plan and Water Management Policy	Achieve 100% coverage by 2025
3. Continuously monitor and improve suppliers' ESG performance	Have a system in place by 2025
4. Sustainability based vendor ranking/ scoring system and its use in the procurement decision making	Fully implement by 2025

### Our primary objectives

- Focus on local economic development by increasing our local sourcing and procurement spend
- Mitigate risks through a complete compliance with the environment, safety and labour regulations
- Create shared value by encouraging sustainable business practices like climate action plan, water management policy and human rights policy

### Supplier engagement and assessment

The supplier engagement happened at multiple levels in APSEZ. During the supplier's on-boarding, details were asked about their compliance with the environment, safety, labour and other regulations. Similarly, the Company recorded policies being followed on climate change, human rights, carbon reduction, water conservation and environment protection. The Company captured these indicators every year in its annual Vendor Engagement Survey and assessed the progress made by suppliers on various parameters. The third level of engagement with the suppliers happened at the regular meetings and trainings organised with them to pass knowhow on best practices and helped them align their policies with the expectations of APSEZ.

### Human rights assessment

APSEZ practiced zero tolerance towards violation of human rights and kept a strict vigil on the policies and practices followed by the suppliers. The Company tried to enforce the best practices on human rights in its supply chain using its influence on suppliers. The Company's expectation of respect for human rights from all its business partners was unambiguously conveyed at multiple levels of engagement. During the on-boarding process and later, the suppliers underwent a third-party audit of their operations for compliance with safe working condition requirements, avoidance of child and forced labour, environmental and social impacts, and human rights due diligence. The human rights topics were also covered in-depth in the annual survey of vendors and training programmes organised for them. In the survey, suppliers were required to disclose their policy to avoid child labour, forced labour, workplace harassment, gender and ethnic discrimination and their human rights due diligence process. The suppliers were assessed on whether their policy was aligned with the requirements set by APSEZ for suppliers and business partners.

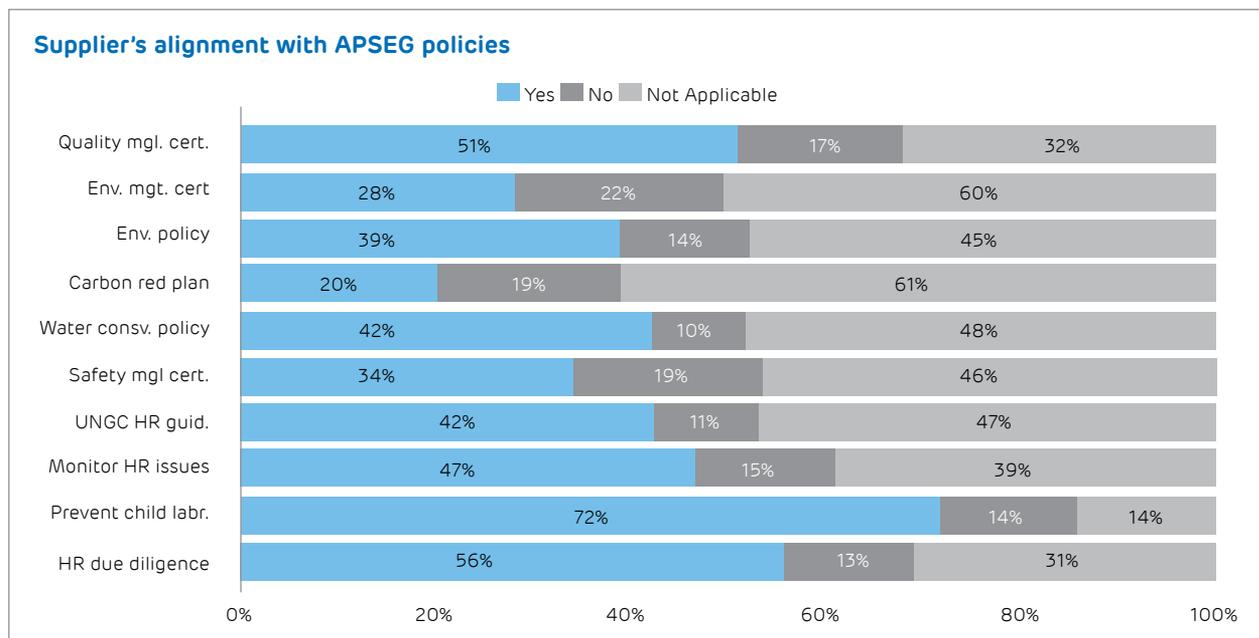
### Annual survey

In the last three years, the Company assessed 1,693

suppliers using its annual Vendor Engagement Survey. These suppliers were evaluated on their ESG policies, compliance with environment and safety regulations and human rights policies. Besides, the suppliers were asked to rate their business dealings with the Company, APSEZ's business ethics and behaviour, on-boarding and commercial processes, on-site safety, payment practices and APSEZ's fairness of dealing with suppliers.

### Supplier's compliance

In FY 2021-22, about 51% of the 840 suppliers surveyed said they had external certification on quality management (e.g. ISO 9001/9002/9003), 34% on health & safety (e.g. OHSAS 18001/ ISO 45001) and 28% on environment management (e.g. ISO 14001, RC 14001, EMAS). About the carbon reduction plan and water conservation policy, about one third suppliers said that they had at least one of the two policies in place. Nearly 42% suppliers said that they were committed to UN guiding principles (UNGCI) for business & human rights, of which 90% conducted human rights due diligence and 85% had policies to avoid child labour and forced labour.



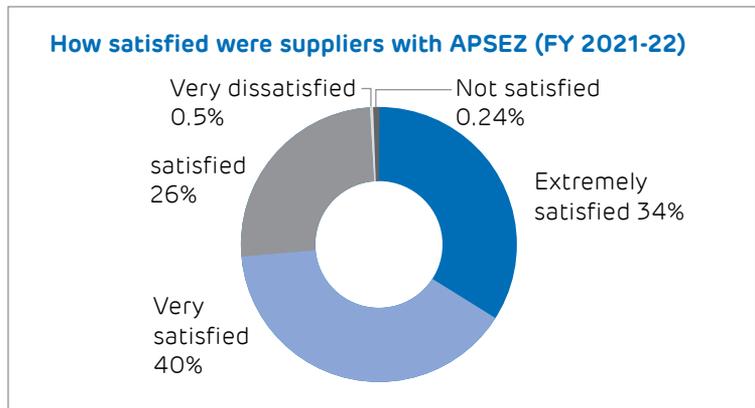
The survey's objective was to know where suppliers stood in terms of ESG policies and the interventions from our end to push them to adopt sustainable practices. The Company probed suppliers to rate commercial processes, payment mechanisms and communication processes including grievance redressal and used results to improve processes. The structure of the survey questionnaire is given below.

#### What suppliers were asked in the assessment survey of FY 2021-22

Whether suppliers had the requisite policies, certifications and practices in place?			
Environment and climate change	Safety and quality control	Respect for human rights	Human rights, business ethics and behaviour
<ul style="list-style-type: none"> <li>Environment /EHS policy</li> <li>Carbon reduction plan</li> <li>Water conservation practices</li> <li>Environment management certification (e.g. ISO 14001, RC 14001, EMAS, etc)</li> </ul>	<ul style="list-style-type: none"> <li>Safety management certification (e.g. OHSAS 18001/ISO 45001)</li> <li>Quality management certification (e.g. ISO 9001/9002/9003)</li> </ul>	<ul style="list-style-type: none"> <li>Commitment to the UN guiding principles (UNGC) for business and human rights</li> <li>Prevent, monitor, report and mitigate human rights issues</li> <li>Prohibit forced labour and child labour</li> <li>Human rights and due diligence</li> </ul>	<ul style="list-style-type: none"> <li>Respect for human rights of vendors</li> <li>Ethical standards of the APSEZ</li> <li>Behavior of representatives</li> </ul>
How suppliers rated APSEZ's systems, processes and conducts			
Onboarding and commercial processes	Onsite safety practices	Payment system and practices	Fairness of the dealing with the vendors
<ul style="list-style-type: none"> <li>Registration/onboarding</li> <li>Completeness of enquiry for submission quotation</li> <li>Response to queries</li> <li>Post-delivery quality review</li> <li>Communication about acceptance/rejection of supplied material/service</li> </ul>	<ul style="list-style-type: none"> <li>Adopted safety practices (e.g. fit to work certificate, onsite supervision, etc)</li> <li>Adopted security systems/practices</li> </ul>	<ul style="list-style-type: none"> <li>Time taken for bill clearance</li> <li>Fairness of late delivery penalty clause</li> <li>Communication for short payments deduction, advice etc</li> <li>Payment clarifications</li> <li>Grievance mechanism</li> </ul>	<ul style="list-style-type: none"> <li>Accessibility to management</li> <li>Systems to ensure ethical and fair practices</li> <li>Effort to improve supplier's capability</li> </ul>

**Commercial processes and payments**

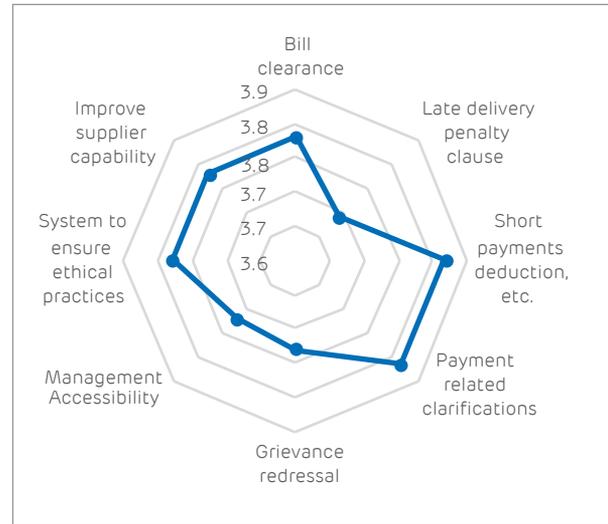
On their business dealings with APSEZ, 99% suppliers were 'satisfied' to 'extremely satisfied'; 1% were not satisfied (same as the previous year). The suppliers rated APSEZ's ethical standards, respect for human rights of the vendors, conduct and behaviour highly. Based on the ratings, the suppliers were largely satisfied with APSEZ across these parameters.



**Rating on commercial process**

**Rating on payment and management**

Note: Rating on the scale of 1-5; Extremely satisfied = 5, Very satisfied = 4, Satisfied = 3, Not satisfied = 2, Very dissatisfied = 1



Exercises	Outcomes
Suppliers assessed using annual surveys in 3 years	1,693 (37%)
Suppliers assessed in FY 2021-22	840 (19%)
Suppliers on-boarded in FY 2021-22	257
% assessed and performance audited	100%
KPIs related to capacity building	KPI 1 & KPI 2 stated in the table above

CORPORATE OVERVIEW  
STATUTORY REPORTS  
FINANCIAL STATEMENTS

**ESG aligned six-step procurement process**

The Company's six-step responsible sourcing process is a central element of its strategic risk management and compliance approach. This approach enables it to forge long-term relationships, strengthen supply chain stability and generate superior investment return.

This process was initiated at the time of vendor on-boarding and culminated in a recurring cycle of review, analyses and continuous improvement with existing suppliers. Using this process for the audit and assessment of the sustainability performance of the Company's suppliers, it covered about 100% of its procurement spend.

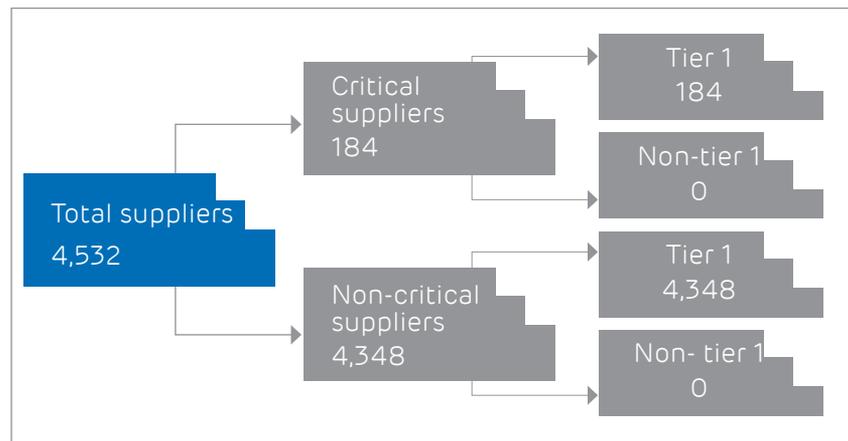
**Step 1: Pre-qualification and risk assessment**

The Company classified suppliers across various categories leading to structured supplier engagement. APSEZ defined critical suppliers as the ones who were high-volume suppliers, provided critical component/ service to APSEZ or were non-substitutable with a high dependency. Their criticality depended on their impact on

the Company's competitive advantage, market success and operational efficiency. APSEZ believed that identification of critical suppliers was an integral part of supply chain awareness. In 2022, critical suppliers represented approximately 66% of the Company's total procurement spend. The Company used this approach as an early warning system for sustainability risks. The Company began by evaluating criticality and dependence of suppliers on its business. In doing so, the Company concentrated on risk value chains with heightened

sustainability risks. Risk value chains were related to sectors and services that the Company considered to potentially represent a sustainability risk for its business. For instance, the Company's dependence was high on its labour contractors who potentially could have risks associated with labour practices, human rights and safety.

The Company categorised critical suppliers as Tier 1 and others as non-Tier 1 suppliers, helping identify vendors that could require special precautions.



Tier 1 refers to critical suppliers who directly supply good or services to APSEZ whereas Non-tier 1 includes those that provide their products and services to the supplier at the next level in the chain i.e., tier-2 suppliers and higher.

**Step 2: On-boarding**

The result of the pre-check and the risk assessment flowed into the Company's supplier on-boarding process. The Company expected its suppliers to acknowledge its Supplier Code of Conduct as well as Sustainable Procurement Policy. APSEZ's on-boarding process was anchored in a uniform registration system and provided a standardised summary of its sustainability requirements.

The first step was a screening of prospective suppliers/vendors based on quality parameters, availability of manpower, experience and compliance with environmental and social norms. This step screened out vendors unable or unwilling to meet the expectations and requirements set by APSEZ. Vendor on-boarding was critical as it reduced risks concerning third parties, provided clarity in supplier processes

and practices, minimised the incidence of fines and mitigated reputation risks.

The pre-qualification criteria and track record of potential suppliers was evaluated by a dedicated team consisting of ESG, HR and techno-commercial professionals. In FY 2021-22, 100% new on-boarded suppliers complied with EHS standards.

**Step 3: Preliminary audit**

The Company established procurement guidelines and specifications for vendors to reduce the overall environment and social impact of projects. The requirements regarding

quality, environmental, safety and social standards were integral to contractual relationships and order placements.

APSEZ worked with third-parties to check compliance with defined standards in audits.

The Company's audits consisted of on-site inspections (at production sites of suppliers) and included factory inspections and discussions with employees at all levels of the hierarchy.

**Step 4: Risk assessment and due-diligence**

The Company encouraged all suppliers to reduce their environmental and social impacts by undertaking various initiatives like a reduction in energy and water consumption. The Company proactively engaged key stakeholders to embrace safe and environment-friendly practices as well as best operational practices through the operational life cycle.

The supplier ESG performance assessment criteria was integrated into the Supplier Performance Assessment

Scorecard. The scorecard attributed performance weightage to ESG parameters critical to the Company (10% weightage for safety and compliance and the remaining weightage for performance including other ESG criteria). Suppliers were required to maintain a minimum score of 90 to provide services to APSEZ. The scores were updated based on monthly monitoring and evaluation. These scores were utilised to assist suppliers to improve their sustainability performance, enhance maturity and reduce risks.

The suppliers were assigned

different sustainability risk classes based on their scores.

The following table lists supplier assessments carried out by APSEZ in the last three years and the number and percentage of suppliers in high-risk category with respect to total suppliers.

The supplier that did not comply with statutory requirements (pertaining to labour laws, human rights related obligations, prohibition of child labour and environmental compliance) could potentially create a major disruption in the Company's business.

Suppliers assessed in three years	Type of suppliers	Suppliers classified as high-risk	% of total suppliers in category classified as high-risk
1,693	Tier 1 (critical and non-critical)	25	0.6%

**Step 5: Corrective actions and continuous improvement**

ESG team, as well as the purchasing team, analysed results of audits or results of a self-assessment questionnaire to identify sustainability deficits. With the aim to enable all partners to keep improving, the Company engaged with suppliers to identify corrective action plans

to be implemented for APSEZ's procurement. Repeated serious non-compliance could lead to termination of the supplier relationship and non-renewal.

Critical suppliers with high risk sustainability were asked to provide a mitigation plan and measures within an agreed time. There was a regular follow up and performance review.

Independent of the results of an audit or assessment, the Company asked its assessed suppliers to draw up a corrective action plan and work on defined areas of potential optimisation. The Company monitored progress made in the implementation with suppliers until re-assessment and re-audit.

**Step 6: Re-assessment /re-audit**

The Company used recurring re-assessments or re-audits to monitor performance progress of suppliers, ensuring a continuous improvement cycle consisting of evaluation, analysis and corrective measures.

**Development or termination of the supplier relationship**

As a part of supplier management activities, the Company worked intensively with suppliers to improve their sustainability performance. The Company endeavoured to initiate positive change through the value chain, through training programs and joint projects. During FY 2021-22, the Company did not receive any notifications of an infringement by any strategic business partner that would have given cause for terminating the relationship with that supplier. The Company is in the process of setting up systems to deepen supplier engagement. The engagement with specific vendors was reinforced through platforms such as annual vendor meets, supplier vendor audit etc. to ensure business continuity.

**Grievance management**

The grievances of the suppliers were undertaken during the one-to-one interaction with them and also the suppliers could directly approach the supervisors in APSEZ or the HR team depending on the nature of their complaint. The online Grievance Management System provided a transparent and unambiguous means to obtain resolution to the suppliers' issues. It provided a grievance dashboard for the aggrieved to view status, resolution and provide feedback. The defined procedure for redressal also set responsibility within the concerned team to respond within a timeline.

**Sustainable/green procurement**

APSEZ remained committed to achieve its goal of lawful and fair

business practices by integrating various ESG considerations (respect of human rights, business ethics and environmental friendliness of products and services) into its supply chain appraisal. The Company's system, policies and procedure were in place for sustainable sourcing. The Company was guided by a Sustainable Procurement Policy that comprised sustainable sourcing related to the development of systems and process, products and services (including office products).

For sustainable sourcing, the Company considered the following:

- Suppliers operating facilities in compliance with applicable environmental laws, regulations, obligations, safeguards and controls to prevent health and safety risks and with an endeavour to extend beyond compliances
- Suppliers endeavoured to continually improve the environmental performance by setting objectives, targets and processes for the efficient use of natural resources, energy, water, prevention of hazardous or toxic substance use, waste minimisation, emissions reduction and pollution prevention
- Suppliers who periodically measured, monitored and reviewed environment performance audited (internal/ external) before being communicated to stakeholders.
- Suppliers who ensured eco-friendly manufacture with minimum and environmentally compatible/recyclable packaging.
- Suppliers who conducted business activities with high ethical and moral standards and respected Human Rights considerations of other stakeholders (including employees).

- Suppliers who acted responsibly with their stakeholders and collaborated and associated with them, particularly the local community for their development
- Suppliers who procured recycled/part recycled products with extended producer responsibility
- Suppliers who procured certified products and eco-labels wherever applicable

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Sustainable-Procurement-Policy.pdf>

**Supplier engagement and development**

The following were some key initiatives undertaken by the techno-commercial team in FY 2021-22 to ensure good supplier engagement and increase their awareness regarding the organisation's policies and procedures:

- Suraksha Samvad sessions were conducted with 50+ key major contractors from various sites during which detailed discussions were held with suppliers covering topics such as Safety Requirements & Standards of APSEZ and Introduction to Contractor Safety Management (CSM) Portal. Grievances were addressed. This initiative will continue into FY 2022-23 and the Company aims to cover 100% contractors by the end of FY 2022-23.
- A supplier awareness initiative named Sampark was launched in March 2022 to communicate APSEZ's vision on Safety, Sustainability & HR and industrial relations requirements. The first session in March 2022 was attended by 177 participants. With more sessions planned, the Company targets to cover 1000+ suppliers in FY 2022-23.
- The third edition of Supplier

Sustainability Assessment survey was launched in February 2022 to gauge supplier compliance on ESG credentials and supplier satisfaction across aspects of the Procure to Pay (P2P) cycle from registration to payment. Any suggestions on improvement formed a part of the survey.

- An SOP for the Digital Procure to Pay process was released as a part of the digitisation of P2P process to ensure uniform systems and processes across Adani Group companies. Through this initiative, the Company sought to control spending and improve supplier collaboration.
- Revamp of the Scrap Policy and Inventory SOP was carried

out to enhance systems-based governance. All sites were required to ensure a strict compliance with the policy as per the site structure.

- Contractor Safety Management (CSM) portal was launched at a Group level to facilitate transparency in the pre-qualification process for new contractors and evaluation of existing vendors. APSEZ led the implementation of CSM process across the Adani Group. The FY 2022-23 target is to complete the safety evaluation of 300 leading contractors across the APSEZ and other group companies.

We engaged with all our suppliers annually through an online survey to gauge the effectiveness of

APSEZ business practices and receive relevant feedback. In the Annual Vendor Engagement Survey for FY 2021-22, the Company asked around 2,000 suppliers questions related to their sustainability performance. It received responses from 840 suppliers, which included 57 (31%) of 184 critical Tier 1 suppliers identified.

Besides, the Company relied on formal and informal modes like WhatsApp group chats, site visits and critical task observations, personal visits, etc. for regular vendor engagement. This provided APSEZ a better understanding of vendors, their activities, gaps and improvement areas.

### Results of our vendor engagement survey, FY 2021-22

**68%** critical Tier 1 suppliers had an environment/EHS policy

**33%** critical Tier 1 suppliers had a carbon reduction plan

**70%** critical Tier 1 and **57%** non-critical Tier 1 suppliers conducted human rights due diligence

**47%** critical Tier 1 and **33%** non-critical Tier 1 supplier facilities were certified for safety management system (OHSAS 18001/ ISO 45001 or any other)

#### Digitising our supply chain

The procure-to-pay (P2P) suite application is growing rapidly as organisations seek automation and innovation to control spend and improve supplier collaboration. By 2025, over 50% of the global mid-market and large enterprises are likely to have deployed procure-to-pay suites via the cloud delivery model.

#### ARIBA, a one-stop solution

Ariba was launched across the Adani Group in June 2021 with the objective of making the organisation future-ready with improved productivity and efficiency for Procure to Pay transactions. The support was extended to other business units. Through the year under review, APSEZ won several awards (Best

BU Award, Best Site Award etc.) at the Group level for leading the Ariba adoption.

APSEZ adopted Ariba P2P application rapidly across all Group companies and achieved 100% adoption by March 2022.



**Local procurement**

APSEZ drove economic development by enhancing procurement processes for social and environmental gains. The procurement focus was not just on local development but a range of accrued benefits of lower costs, higher brand recognition and livelihood support. Local vendors generally employed hundreds unlikely to leave that city, delivering benefits for the local economy in which they were

based. Utilising procurement more progressively and innovatively facilitated the participation of small-to-medium sized enterprises (SMEs) for public procurement in support of common societal goals.

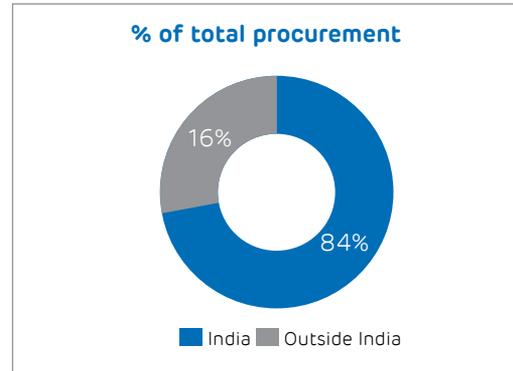
The Company's business model supported the ethos of 'What is good for the country is good for us'. APSEZ's operations were dependent on vendors to execute the goal of being an end-to-end integrated logistics player. Local

procurement was a key facet of the overall sustainable supply chain strategy. The Company aimed to fulfil these aspirations without compromising standards. Some material supplies were procured centrally and through vendors from other parts of the country.

In FY 2021-22, 63% of the Company's procurement was derived from local State vendors and 26% from the same district.



	₹ in crore
Total procurement spend	8,686
Procurement from local regions (districtwise)	2,215
Procurement from local regions (State perspective)	5,471
Procurement from critical suppliers	5,731
Procurement from Tier- 1 suppliers	8,686
% of total procurement spent	100%



## Case study Supplier engagement initiatives

Vendors are critical in a value chain and their competent management influences competitive advantage. It reduces risks with third parties, ensures the integrity of data, provides clarity into supplier processes and practices, helps avoid unnecessary fines and mitigate reputation risks. APSEZ seeks relations with suppliers that extend beyond procurement and offer a superior return on investments.

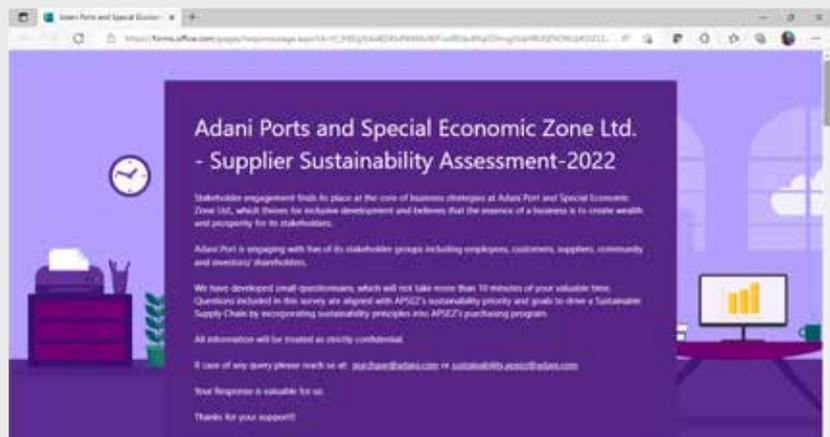
APSEZ’s techno commercial team undertook initiatives in FY 2021-22 to enhance engagements with suppliers and increase awareness on policies. The initiatives to strengthen the business relationship with suppliers comprised:

**Suraksha Samvad:** This initiative made site contractors aware of safety requirements to be met during project execution. A comprehensive session was conducted with key contractors at different locations. The following topics were covered: Adani safety culture, introduction to the Contractor Safety Management (CSM) portal and grievances of suppliers (if any). Sessions were conducted with over 50 key

business partners and will be continued in FY 2022-23.

**Sampark:** The objective of this initiative was to communicate APSEZ leadership’s vision on Safety, Human Resource, Industrial Relation, Human Rights, Labor Practices and Sustainability. In the first session in March 2022, more than 175 partners attended, and the following topics were covered: Supplier Code of Conduct guidelines and importance; APSEZ ESG goals; HR & IR requirement and safety requirements. More sessions are planned for FY 2022-23.

**Supplier sustainability assessment survey:** To derive feedback from suppliers, APSEZ’s techno-commercial team launched the third edition of the Supplier Sustainability Assessment Survey. The survey aimed to gauge the compliance of suppliers across ESG credentials, satisfaction of suppliers on various aspects of the P2P cycle (registration to payment). Suggestions on improvements were taken to improve processes along with an acceptance on the Supplier Code of Conduct.





Knowledge capital ■

# How APSEZ is progressively enriching in its talent capital with breadth and depth

*Building a culture of empowerment, knowledge accretion and outperformance*

**Overview**

People management is an effective differentiator in a competitive world. APSEZ recognises people as its greatest asset. The key areas driving HR initiatives at APSEZ include a strong emphasis on building inclusion, ensuring workplace safety, building careers and protecting human rights.

In FY 2021-22, APSEZ continued

to build its people platform based on a clarity of role responsibilities, performance evaluation and investment as per a competence analysis. Continuous and repeatable cycles of 'learn – contribute – grow' remained core to the employee value proposition. The enablement of the Company across locations, functions and tiers through appropriate systems, processes, policies

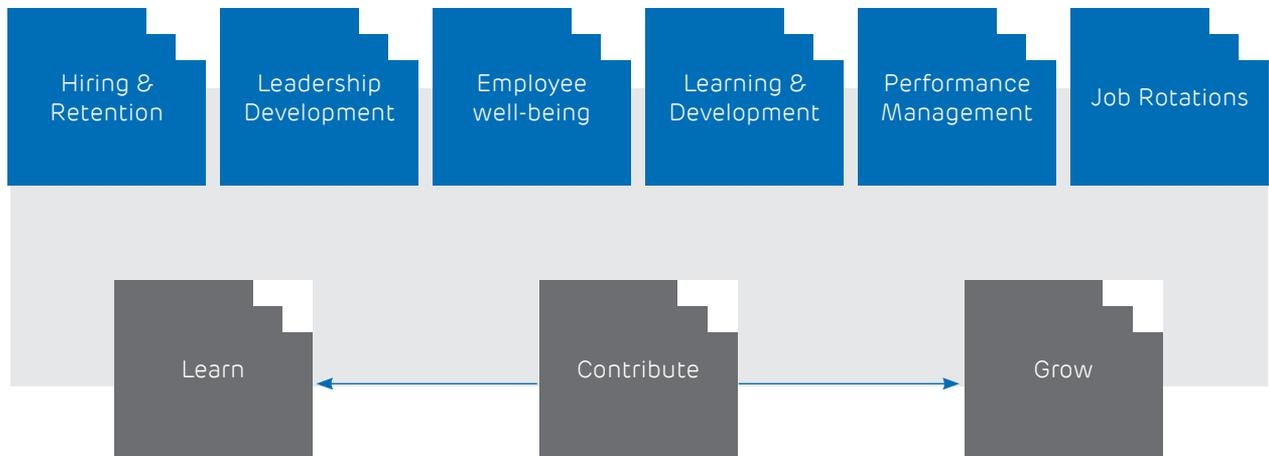
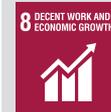
and programme could help the Company achieve its target of 500 MMT of cargo handling by 2025.

The Company had 2736 employees as of 31st March 2022. 85% of workforce were engineers or specialised /professional degree holders. For the second year in a row, APSEZ was adjudged as Best Place to Work in Nation Builder Category, indicating the success of its HR effort.

- Recognised as a Great Place to Work for the second year in a row
- **2736** Employee head count
- **1.5%** women in the total workforce
- **20%** Board members were women
- **325** new hires (**39%** Local hiring)
- **10.39%** employee attrition (voluntary)
- **53%** workforce local as per the state of domicile
- **42%** new positions filled by internal employees
- **28.33** average training (person-hours)
- **3.54** average training person-days
- **77498.75** total training person-hours
- **53%** workforce local as per the State of domicile
- **85%** workforce professional degree holders
- **Mandatory training on POSH, IT & Cyber Security, Risk Management, Insider Training**
- **510** executives covered under D&I Sensitisation programme

**Material issues**

Human Capital development  
Human Rights  
Diversity and inclusion



**Hiring and retention**

The principal driver of APSEZ’s talent management approach was to attract, retain and develop talent. The Company’s aim was to develop a capability mix, comprising the right number of professionals with desired competencies at the right locations. In FY 2021-22, all hiring managers were trained in interviewing capability to hone

their interviewing skills so that they could probe candidates for required competencies and cultural fitment.

A pool of 347 executives were developed in 16 batches across APSEZ from O2 to JP level, skilled in conducting structured interviews to assess candidates on job-related competencies, workplace behaviours and motivation for job and

organisation.

In FY 2021-22, the Company attracted specialised talent from adjacent sectors with relatable challenges (scale, complexity, project execution and timeliness) similar to the port & logistics businesses. The Company deployed multiple means of sourcing talent like website career portal, social media, recruitment consultancies etc.

from a large pool of candidates. Psychometric tools assessed candidates in personality traits, drivers, potential derailers and agility. These psychometric assessments were anchored around the Adani Behavioural Competency Framework (ABCF). For Vice President and above levels, Senior Management Due

Diligence (SMDD) was carried out for extensive background checks, credibility, feedback and market reputation.

Besides, importance was given to talent assimilation. During induction, the interface of new hires with senior management professionals was facilitated,

which helped new hires build internal networks and understand the organisation culture. Every new hire was allocated a Sahyogi-a buddy to whom the new hire could reach out during the settling-in phase. Feedback was provided at intervals of 7, 30, 60 and 120 days.

Total workforce					
Headcount: Age group split	Male	Female	Headcount : management position	Male	Female
<= 30 years	346	11	Senior	131	0
31-50 years	2031	27	Middle	488	5
>50 years	318	3	Junior	2076	36
Total	2695	41	Total	2695	41

New hires: Age and gender split	<=30 years		31-50 years		>50 years		Grand total
	Female	Male	Female	Male	Female	Male	
Top management	0	0	0	0	0	2	2
Senior management	0	0	0	20	0	8	28
Middle management	0	7	0	56	0	5	68
Junior management	8	111	5	103	0	0	227
Total	8	118	5	179	0	15	325

New hires: Region in India	Numbers
North	69
Central	20
East	56
West	147
South	33
Total	325

New hires: internal candidates	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Total new hires	225	323	121	325
Open positions filled by internal candidates	-	82%	44.23%	42%

Workforce turnover			
Turnover: Age split	Involuntary	Voluntary	Total
<=30 years	28	172	201
31-50 years	29	99	127
>50 years	39	23	62
Total	96	294	390

Turnover: Management positions	Involuntary	Voluntary	Total
Junior management	57	208	265
Middle management	28	58	86
Senior management	5	8	13
Top management	1	0	1
Total	96	294	390

Turnover: Gender split	Involuntary	Voluntary	Total
Female	0	6	6
Male	96	288	384
Total	96	294	390

## Diversity and inclusion

Senior APSEZ leaders champion workplace diversity

**Target: 5%** women in the workforce by 2025

**Performance: 1.5%** women in workforce in FY 2021-22

### Inclusion of diversity

At APSEZ, diversity of our workforce continued to be predominant. It enhanced continued to be our productivity and promoted a sharing and inclusion of innovative ideas. Though the nature of our operations posed a challenge to attract and retain diverse talent, our Company remained open to recruit potential candidates irrespective of gender, age, disability, ethnicity, sexual orientation, family status and religious beliefs. Considering the importance of building diversity in every form, an extensive D&I (Diversity & Inclusion) programme was deployed, nurtured by design, encouraged and leveraged. APSEZ, as an equal opportunity employer, was committed to provide a welcoming environment for people from all backgrounds, experience, equality and fairness. Diversity & Inclusion guidelines provided a clear direction in this regard. Besides, guidelines on employment of differently-abled

were in place to be followed in letter and spirit.

During the year under review, APSEZ constituted a Diversity & Inclusion Council in line with D&I guidelines to follow through on the D&I agenda and track progress. The D&I Council included members from senior management cadre to own and implement the D&I agenda. This Council met on a pre-decided frequency to discuss, debate, identify and implement initiatives, and action areas for pursuing the D&I agenda. Sensitisation programme on promoting diversity, inclusion & equity at workplace, covering all people managers across the Company, were carried out. Some 510 executives across APSEZ, from O1 and above level, were covered under the D&I Sensitisation programme. APSEZ's gender gap decreased by 0.07% in FY 2021-22 compared to the previous year. In FY 2021-22, 4.61% of the 325 new recruits were added to the managerial team.

Workforce breakdown: Female	Percentage/ Number
Share of women in total workforce (as % of total workforce)	1.5%
All management positions	1.66%
Women in junior management positions	1.77%
<b>Note:</b> we have considered JMC & MMC here	
Women in top management positions	0%
Women in management positions in revenue-generating functions	0.54%
Women in STEM-related positions	1.23%

<sup>5</sup> <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Diversity-and-Inclusion-Guidelines.pdf>

Workforce breakdown: Ethnicity	Numbers			
	Asian (Indian)	British	American	Australian
Management position				
Junior	2112	0	0	0
Medium	492			1
Senior	127	1	2	1
Total	2731	1	2	2

\*Senior management numbers include TMC and SMC executives

\*Junior management numbers include JMC and SUP executives

In FY 2021-22, the Company promoted workplace diversity through the following initiatives:

- **D&I training:** Training Need Identification process was carried out. The Company conducted regular D&I sensitisation sessions to cover all Junior Management Cadre (JMC), Middle Management Cadre (MMC) and Senior Management Cadre (SMC) executives with at least one direct reported under programme - Workplace Diversity, Equity and Inclusion in Action.
- **Sensitisation:** Sessions were organised for the management cadre to help leverage the potential of a diverse workplace and employ an inclusive approach.
- **Mentoring:** Mentoring was aimed at developing executives for leadership roles by leveraging the experience of senior personnel. The programme fostered diversity by selecting mentees from different backgrounds, nationalities, castes, creeds, genders, ages, religious beliefs, family status, perspectives and other ideologies.
- **Grooming leaders:** Efforts were made to identify critical and capable employees from a diverse strata of people for mentoring and career development. Based on the demonstrated contribution and potential, employees were provided opportunities to grow and learn. Through this engagement, mentors worked in fostering an environment where

employees of diverse backgrounds were nurtured, mentored and coached to become leaders. APSEZ welcomed and assimilated employees to be coached and mentored with differences included (but not limited to) nationality, caste, creed, gender, age, religious beliefs, family status, perspectives and other ideologies.

#### Performance management

The Company's Performance Management System aligned individual aspirations with organisational goals. The performance of each employee was evaluated bi-annually at two levels - with the reporting manager and with the reviewer (department head / unit head). multi-level and multi dimensional appraisal (including 360 degree feedback) ensured systemic fairness and transparency. Rigorous mid-term reviews assessed whether individuals were on track in achieving their goals and what training was required.

The process included self-appraisal and identification of developmental needs followed by an assessment by the reporting manager on 'results', 'approach' and 'competencies'. The tenet of this exercise was the feedback session between the appraiser and the appraised covering all performance-related and 'employee wellbeing' aspects. The Company followed the rationalisation process and followed a three rating scale,

which differentiated between high, medium and low performers. Performance Management was linked to HR processes and process effectiveness was measured by a third party audit with an impact on productivity by promoting Organisational Citizenship Behaviour.

A critical aspect of the performance management was transparent promotion, instilling employee confidence and commitment. All nominations for promotion process underwent a combination of assessment tools:

- Psychometric behavioural assessment [O3 (Deputy manager) to E3 (DGM)]
  - Psychometric behavioural assessment, Situation judgement test and case study [E4 (AGM) & above]
  - BEI and role play [AVP & above]
  - Leadership interaction (AGM, GM & AVP) and APEX interaction (VP & above)
  - Executives in O2 and below grades nominated were promoted based on recommendations and review by respective site head/ BU CEO, functional heads-HO.
- Results of the assessments were examined for promotion recommendation, based on a combination of scores obtained by individuals against success profiles required for the role and availability of positions in the higher grade (or enlarged responsibilities in the existing

role). The individual assessment reports were shared with individuals and interpretation sessions were organised to integrate feedback.

In FY 2021-22, the Company rolled out **ENRICH** talent intervention for developmental planning of promoted employees to enable them to move swiftly into

enhanced roles and enlarged responsibilities. APSEZ ensured that every employee received periodic actionable feedback for improvement.

Performance and career development reviews: Workforce breakdown						
Category	FY 2021-22			FY 2020-21		
	Total (A)	No. (B)	% (B / A)	Total ©	No.(D)	% (D / C)
<b>Employees</b>						
Permanent	2150	2067	96%	1908	1796	94%
Other than permanent	75	56	75%	84	51	61%
<b>Total employees</b>	<b>2225</b>	<b>2123</b>	<b>95%</b>	<b>1992</b>	<b>1847</b>	<b>93%</b>
<b>Workers</b>						
Permanent	510	508	100%	469	464	99%
Other than permanent	1	1	100%	1	1	100%
<b>Total workers</b>	<b>511</b>	<b>509</b>	<b>100%</b>	<b>470</b>	<b>465</b>	<b>99%</b>

**XCeed: Quarterly reward programme**

A variable reward programme to identify and reward individual performance in the achievement of organisational goals was to strengthen performance-reward-career-growth of employees in the long-term to enhance their workplace engagement

pay was based on organisational and individual performance. Performance on ESG parameters was also a factor that determined variable rewards of GM-and-above employees. Qualitative adjustments on account of ESG and safety were incorporated as a part of this exercise. The Company's Performance Pay was determined by the summation of two factors - Individual Performance (70%) comprised individual goals; ESG performance and organisation performance (30%); business goals and financial performance with a weightage of revenue (50%), EBITDA (25%) and RoCE (25%).

Specific functions also had compensation linked to other components such as IT, customer satisfaction etc. In case of a fatality or safety incident, the performance incentive was materially impacted.

**Focus on equal pay**

APSEZ remained an equal opportunity organisation, following the same performance evaluation and compensation criteria for men and women. The Company followed a strict equal pay for men and women according to the roles and responsibilities. It performed a periodic review of the compensation structure to ensure that it was aligned with the objective of equal gender pay. The Company checked its compensation structure with peers to provide a competitive salary.

**Performance-linked compensation**

The Company encouraged talent through a variable compensation structure across all management levels. The employees in O1 to E1 grades had 10% CTC component as a performance-based incentive; employees in E2 to E4 grades had 15% of CTC component.

This component was paid as per individual ratings on a 3-point scale of the Performance Management System. For GM and above, performance-based

**ESG-linked performance**

Executive compensation was tied to safety and ESG performance, including performance on climate change metrics. Further, the compensation was also linked to specific targets on financial and operational performance. Specific functions comprised compensation linked to other components like IT, customer satisfaction etc. as well.

Management position	Male (base salary)	Female (base salary)
Executive level	277.47	-
Management level	9.00	6.18
Non-management level	6.97	2.45

**Note:** We conduct equal pay assessment verification (including gender pay gap) through third party.

### Training and development

APSEZ believes continuous learning is essential for individual and business growth. Employees were encouraged to learn from

training modules on E-Vidyalaya. Relevant policies and guidelines pertaining to human rights were uploaded on the Company's website for easy access.

New joinees were supported during the induction with resources. APSEZ mandated POSH online training for employees.

Leadership programmes	Technical training
MMC and SMC cadre executives	Employees from O1 and above (covers junior, middle and senior management cadres)
Leadership transition: High-performing senior management professionals identified and progressively mapped for roles in different aspects of operations to groom them to take up (Chief Operating Officer) roles at operating locations in 2-3 years. Development and placement into target roles on target dates was a responsibility of the internal mentors assigned from the leadership team. Formal assessments were done on the completion of each assignment (learning, readiness and contributions for timely refinements).	<p><b>eVidyalaya – Percipio (Self-Paced Learning):</b> Employees can browse and select through plethora of learning material available on eVidyalaya-Percipio, our internal e-learning platform, in the form of certification courses, byte-sized videos, books, audio books etc.</p> <p><b>iGrow:</b> Employees of Grade O1-E4 fill iGrow Cards mentioning details of behavioural areas they want to be trained in during the current year. These iGrow e-Cards are based on discussions and collective need identification between the employee and reporting manager. L&amp;D SPoCs designed training programs as per inputs from these cards.</p> <p><b>Risk management capability drive:</b> Developed capabilities of all employees towards managing risks in three steps.</p> <p><b>Knowledge Sharing Program:</b> A cohort of middle management executives was selected through a robust process comprising psychometric behavioural assessment, performance track record and personal interviews. These executives were groomed for the next role level under the leadership of senior experienced leaders.</p> <p><b>EDGE mission:</b> Launched in June 2021 to foster a culture of peer learning and continuous knowledge sharing. Function-specific Communities of Interest (Cols) were constituted at every location or business units. Team members belonging to that community scheduled knowledge sharing sessions among themselves every month wherein they discussed/ ideated identified topics relevant to their work areas.</p>
The intervention helped create a leadership pipeline by creating leaders confident and ready to take up bigger challenges. A batch of 13 executives was completed in February 2022; another batch of 17 executives started from March 2022.	The training programmes fostered cross-learning, improved technical skills and enhanced productivity

APSEZ mandated annual trainings on POSH, cyber security , risk management and insider trading for all the employees.

Training on skill upgradation: workforce breakdown	
<b>Employees</b>	
Permanent	99.8%
Other than Permanent	96%
Total employees	99.6%
<b>Workers</b>	
Permanent	34.9%
Other than Permanent	0%
Total workers	34.8%

Overall training hours					
Training programmes: workforce	Behavioural	Technical	Self-paced	Safety	Total
Employees' training person hours	20649	11638	28568	16644	77499
Contractors' training person hours	1158	767598	-	92544	170300

Training hours (age group & gender split)*	
Gender	Training hours
<b>Gender split</b>	
Female	876
Male	48340
<b>Age group split</b>	
<30 years old	8646
30-50 years old	35761
>50 years old	4809

\* Split provided for behavioural and e-learning

Average training hours: management positions	Numbers
Top management	8.49
Senior management	24.82
Middle management	36.73
Junior management	42.79

**ICEBERG**

**Scope:** All employees from O1 to SVP (junior, middle and senior management cadres)

**Details:** ICEBERG is as a long-term structured intervention to identify talent with leadership potential, understand needs and develop targeted capabilities to prepare them for leadership positions (for n-1, n-2 and n-3 positions where 'n' is the CEO).

**Impact:** This program helped individuals grow their careers. It establish institutional processes and systems for long-term succession planning and leadership development, which were imperatives of organisational growth.

**Listening to our employees**

APSEZ has an open-door culture to listen to employee concerns and feedback. We believe listening and responding to our people is important as this provides a sense of importance/confidence. We encouraged our employees to speak up if anything within the Company affected/concerned them.

**Speak-Up** is APSEZ's online Grievance Redressal system, wherein employees can raise their concern, which is taken up by our Grievance Redressal Committee (GRC) to be resolved

within 14 working days. Detailed communication pertaining to this was shared with employees.

Provisions were there to raise anonymous concerns as protected disclosures, along with procedure and key personnel details, are provided in Whistle Blower Policy.

**Employee engagement**

Employees made decisions and took actions every day that affected the workforce and organisation. The way we treated employees and how employees treated one another positively affected their actions - or could

place our organisation at risk. To understand the views of our people, we rolled out periodic Gallup assessment surveys. APSEZ analysed the surveys filled by employees on 12 elements to create a structure for interactions with employees - casual conversations, meeting agendas, performance evaluations and team goal-setting. The results were analysed on a scale of Highly engaged, Engaged, Disengaged and Highly disengaged. In FY 2021-22, 87.65% of the workforce participated in the annual engagement survey.

**Gallup people engagement score**

**4.11 of 5.0**  
(Gallup) engagement score

**49th**  
percentile in India peer set

**6.63:1**  
Engaged: Disengaged ratio

Employee engagement	Unit	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Employee engagement	5-point scale	4.3	4.3	4.1	4.1	4.11
Data coverage	% of total employees	100	100	100	100	100

**Employee Engagement Results (Age & Gender Split)**

	Survey sent to	Respondents
<b>Age Split</b>		
<30 years old	295	274
30-50 years old	2153	1891
>50 years old	362	298
<b>Gender Split</b>		
Male	2772	2431
Female	38	32

**Employee engagement results (management level split)**

Management Level	Survey sent to	Respondents
Senior management	75	66
Middle management	390	337
Others	2345	2060

**Employee support programmes**

APSEZ developed best-in-class benefits and wellness programmes to help the workforce deal with work pressure, support family and enjoy their leisure. During the crisis (pandemic), we encouraged our people to take care of their health and wellbeing. We supported our people and their families through the following initiatives:

**Medical:** The Company undertook first-aid and health emergency management through its dedicated health centre/hospital/day care centre, comprising qualified medical practitioners at its corporate and site offices for permanent and contractual employees. Health care facilities included hospitals/health centre/day care centre, first-aid centre that varied according to the size of the facility/business unit.

The Company facilitated mandatory health checks at regular intervals for all employees (age group wise (<35 years: once in 3 years; 35-45 years: once in 2 years; 45 years and above: once a year). All employees at APSEZ were covered under Adani Group Mediclaim policy which covered the employee plus spouse and 2 dependent children for medical treatment/reimbursement as applicable with provision for adding parents. Parents of all employees were covered under Critical Illness Policy to provide support/financial assistance to employees in the case of critical illnesses.

**Flexible working hours:** APSEZ believes in holistic approach of its people's well-being, aligned to our working hour guidelines. The Company recognises the significance of work life balance in our people's lives. Therefore,

statutory limit was 48 hours per week for India offices. The Company provided flexible working conditions for certain departments since the pandemic. Since the advent of pandemic, the Company transitioned to work-from-home arrangements, formalised through a policy.

**Flexible working conditions:**

The Covid-19 made us realise that a flexible work environment can actually be effective across various levels of operations. However, due to the Company's nature of business, it could not completely work remotely. The Company's administrative department had a provision to work remotely due to the nature of their work. This flexibility at work place benefitted employees during the pandemic.

**Childcare facilities or**

**contributions:** APSEZ had Employees Children Education Scholarship Policy, Employee Children Education Loan Interest Subsidy Policy in place. This helped create a bright future for employees' children.

**Welfare policy:** APSEZ had provisions under the following employee welfare policies/plans as applicable – Retirement Benefit Plan, Loan Policy, Housing Loan Interest Subsidy Policy, Telecom Policy and Marriage Gift Policy. Furthermore, in the case of demise of an employee, there a Death Benevolent Fund (DBF) provided financial assistance to the family of the deceased. All employees could access these policy documents from the internal Adani portal.

**Retirement Benefit Plan:** All employees were covered under the APSEZ retirement benefit plan.

**Facilities provided to employees with disability:**

The Company is an equal opportunity employer and strongly endorses the right of equal opportunity for differently-abled employees. Inclusion and consideration for employees with disability was covered by APSEZ's Diversity and Inclusion Guidelines and Policy for Employment of Differently-abled People. The Company continued providing necessary facilities, amenities and training to support them.

All the Company's corporate offices have special provisions for differently abled employees and workers in accordance with Rights of Persons with Disabilities Act, 2016. The Company strongly promoted equal opportunities for everyone and acknowledged the importance of a diverse and equitable work environment. APSEZ designed workplaces for providing assistance or making changes to a position or workplace to enable employees with disabilities carry out their roles.

All the Company's corporate offices comprised ramps at entry locations and lobbies to facilitate wheelchairs. It dedicated toilets for differently abled employees. The Company's elevators comprised Braille signs, designed for the blind or visually impaired. The Company's other locations also comply with all the national/local requirements to accommodate differently-abled person and their needs. APSEZ's existing and new infrastructure implemented a comprehensive plan to address the accessibility of workplaces for differently-abled employees. Work areas, rest rooms, common areas and areas for movement in and around facilities were designed with all

accessibility aspects in mind.

### Ethical practices

At APSEZ, our human capital approach was rooted in a firm two-pronged belief system – a) every individual had the right to dignity, fairness and equity b) We conducted our business with integrity and the highest of ethical standards.

Our policies, guidelines, processes and systems emanated from this belief system. The Company had well-designed labour management policies and guidelines with provisions in compliance with Indian Labour Laws, UN-ILO conventions on labour matters and UN Global Compact Principles. The policies and guidelines were aligned with the relevant laws of the land and international standards as applicable. The purpose of this comprehensive policy architecture was to foster a work climate and environment is conducive to uphold human dignity and matching global workplace standards. APSEZ's Code of Conduct, Human Rights Guidelines, Whistle blower Policy, Anti-bribery and Anti-corruption Guidelines were fundamental to how it conducted business. These guidelines were published on APSEZ's website for easy access of all stakeholders - <https://www.adaniports.com/Investors/Corporate-Governance>. Besides, these guidelines were published on notice boards at each operating port locations to promote greater awareness among workforce members. All employees and stakeholders were required to conform to these guidelines in day-to-day work. They were also encouraged to report any actual or suspected violations to these applicable guidelines without fear of any reprisal or discrimination.

New joinees at all levels were given training on these guidelines during their induction. All employees of the Company recorded their acknowledgement of understanding and adherence

of the guidelines. Periodic awareness surveys were rolled out to all employees in the organisation. Mandatory annual trainings on POSH, cyber security and insider trading were carried out with utmost rigor and sincerity. Any deviation was dealt with as per applicable procedures laid out in relevant guidelines and policies.

### Human rights

APSEZ fostered an inclusive culture free from discrimination and powered by diverse employee capabilities. The Company remained committed to free and fair employment practices free of any harassment based on race, religion, colour, age, sexual orientation, national origin, disability or any other classification as mandated by local laws. The Company's commitment to human rights was reflected in its governance, procurement and social strategy.

APSEZ remained committed to uphold human rights across its value chain and its commitment was reflected in due diligence and implementation framework governed by the following policies:

- Adani Group Policy on Human Rights
- Human Rights Guidelines
- Supplier Code of Conduct
- Corporate Social Responsibility Policy
- Stakeholder Engagement Policy
- Guidelines for employment of Differently abled people
- Business Responsibility Policy
- Group Guidelines on Prevention of Sexual Harassment of Women at Workplace
- Adani Group Code of Conduct Policy

The Company formalised its Human Rights Policy aligned to UN Guiding Principles on Business and Human Rights. The Human Rights Policy applied to all stakeholders, including permanent and contractual employees, communities, consultants, trainees, subsidiaries and business

partners. The Company had a zero-tolerance approach to human rights abuses and instituted mechanisms for remediation.

To prevent child labour in the Company's business, it installed a system-based entry (Cronos) and Aadhar checks for workers. The Company provided awareness and training on human rights guidelines to suppliers.

### Governance and accountability

- At the Board level, Corporate Responsibility Committee ensured a strategic alignment of sustainability and human rights with the business.
- Risk Management Committee oversaw the potential and actual risk pertaining to human rights at every stage of the project including the merger and acquisition through human rights due diligence.
- Ultimate oversight for human rights resided with the Board of Directors who were briefed on a quarterly basis by the ESG Head.

### Human rights assessment and due diligence

APSEZ developed a human rights due diligence process to identify and assess impacts and risks relating to human rights of employees, suppliers, customers and communities. The human rights risk identification process covered our operations, value chain and new relations (mergers, acquisitions, joint ventures etc). Human rights issues comprised child labor, forced labor, human trafficking, discrimination, equal remuneration, freedom of association and collective bargaining. The due diligence extended to employees, children, women, local communities, third party contracted workers, local communities, indigenous people and migrant workers.

All the Company's ports and offices were assessed on the basis of child labour, forced/involuntary labour, sexual harassment, discrimination at workplace and wages.

**APSEZ's human rights focus areas**

**Labour rights**

Health and safety  
 Forced labour and human trafficking  
 Fair working and living conditions  
 Non-discrimination

**Security**

Respectful interaction between workforce, community

**Rights of people in communities**

Livelihoods and local employment  
 Indigenous people's rights

**Human rights mitigation & remediation**

We completed the human rights assessment of employees, suppliers, customers and community and are now developing a plan to implement the key takeaways from the survey (for details of assessment and survey refer Stakeholder Engagement section)

**Say 'no' to harassment**

APSEZ provided a working environment free from any discrimination and harassment, which included sexual harassment and prohibition of any type of exploitation. To improve gender diversity and inclusion of a safe working culture, the Company aligned with a zero tolerance policy in line with provisions of Sexual Harassment Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. This policy extended to employees (permanent and contractual). If any employee felt uncomfortable, he/she could raise it to the line manager or directly raise it to GMC, a centralised monitoring committee at the Group level, or ICC for each region/location. The committee would carry out inquiry and if a person was found guilty, he/she would face disciplinary action that could lead to termination from the post.

The Company sensitised employees on the prevention of sexual harassment at the

workplace through workshops, group meetings, online training modules and awareness programs. All employees were mandated to undergo training related to discrimination and harassment, which also formed a part of the Code of Conduct. In FY 2021-22, 2736 employees were trained.

The Company comprised zero instances of child labour and forced labour, discrimination and sexual harassment during the year under review.

Any form of harassment, physical, verbal or psychological was prohibited. 'Prevention of sexual Harassment (POSH)' law and company policy was adhered and complied with. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, APSEZ constituted ICC, responsible for the redressal of complaints related to sexual harassment.

**Group Monitoring committee (GMC)**

- Provides oversight and ensures the rightful implementation of the policy; provides required guidance/advice for continual compliance and necessary facilities to the Internal Complaints Committee (ICC)
  - Monitors and reviews functions of ICC and provide avenues for aggrieved person to register/escalate their complaints in case the same is not attended to by local ICC
  - If deemed necessary, may suo moto, review an investigation/ inquiry proceeding conducted by the ICC
  - GRC includes Site head, HR Head, HSE Head, Head of security, Head of Corporate affairs, employee representatives
- GRC at each site with more than 20 on roll employee

**Grievance mechanism**

The Company understood the significance of effective operational level grievance reporting mechanism for its stakeholders. The Company had an active 24x7 grievance reporting mechanism available on its website and dedicated telephone numbers and drop boxes at prominent locations.

An online grievance redressal mechanism was designed to redress the grievance within a defined timeline of 14 working days. The grievances were resolved in a fair and time-bound manner, maintaining utmost confidentiality. In addition, grievance registers, complaint boxes were available at sites/ locations, wherein complaints could be registered. Workers

engaged on a contractual basis could report their grievances to their respective contractor representative or the Company supervisor. The contractor was expected to take the required action to address worker grievances, and ,if required, could raise the grievance to the HR and respective functional heads. Suppliers, consultants, retainers,

clients or any other parties that were engaged on a project / periodic basis were governed could raise their complaints with the concerned HR business partners and respective functional heads.

Several people across its site (supervisors, seniors and department heads) could be reached directly for reporting any grievance. The Company provided communities with a system for reporting grievances,

which were recorded, reviewed, escalated and actioned upon within a stipulated time frame. To increase transparency, a grievance dashboard will implemented for the aggrieved to view status, resolution and provide feedback.

**Freedom of association**

Rights of employees and associates to exercise their freedom of expression during their work is to be respected and encouraged. For the workforce, right of association, negotiation and collective bargaining were

recognised and protected within the provisions of relevant laws and regulations. The organisation will continue to respect the rights of workers to form or join a trade union without the fear of intimidation or reprisal, in accordance with the law.



**3**  
Collective bargaining agreement (no trade unions)

**Occupational Health and Safety**

In APSEZ, our endeavour is to ensure that every employee or partner personnel who enters our workplace returns back home

safely to their family every single day.

**Our values:** We strictly imbedded safety in the DNA of our operating management system

**Our safety motto:** Zero Harm, Zero Injuries, and Zero Excuses

**Target:** To achieve Zero Harm by 2025

**Highlights, FY 2021-22**

- 0.23 LTIFR
- Fatality rate reduction from 0.09 to 0.04
- All ports certified for ISO 45001: 2018 Occupational Safety Management System
- OHS Policy and STRAP objectives
- Safety Culture Assessment by JMJ Consultant
- Robust OHS governance
- Six Safety Task Force

**Material issues**

Occupational Health & Safety



**Targets for 2023**

Goals	Benefits outcome
1. Zero fatality and 50% reduction LTI incidents	Zero harm
2. Develop reward and recognition policy covering the best TF member, OHS trainer, staff, contractor, SRFA team and department achieved a high score in SPIS and effective implementation of CMP	Excel team engagement in OHS Activities
3. Develop a personal safety action plan for individual staff and integrate in VRP and PMS	Individual responsibilities for fixing and empowerment
4. Achieve >80% in SPIS and Skill level in Safety Maturity level Assessment	Improvement in the safety culture

Goals	Benefits outcome
5. Improve quality of SRFA audits to eliminate maximum 4s and 5s through SRFA. Strengthen AICs and line function, creating a competitive environment (target electrical safety standards)	Safe workplace
6. Conduct a study of structural stability / integrity, take the maximum benefit of VSR audits tool to minimise vulnerabilities	Elimination of vulnerable safety risk
7. Samwad: Achieve minimum 4 UA /hr and 100% assignment to all port employees through the monthly Samwad assessment through KPI and 90% actual achievement	Engaging workmen in OHS activities
8. Horizontal deployment of incidents CAPA, SRFA based on a monthly trend for the business and monitor compliance 100%	Proactive approach to Prevent reoccurrence in other sites
9. Introduce task force KPI scorecard for 6 task forces and increase effective involvement of members through tracking, micro tasking and measuring. Review SSC and BSSC meetings	Line Management Engagement
10. Capture, share and collaborate on best OHS practices, Life saved lesson across ports through central data collection Digitally	Best practices implementation

## Our approach

As per the materiality assessment, Occupational Health and Safety is a key material issue significant in the Company's value chain. APSEZ prioritised a safe working environment across operations. The Company is committed to international standards in health, safety and wellness for its workforce. The Occupational Health and Safety (OHS) Policy includes key stakeholders: Employees, shareholders and community are aligned to national rules and regulations and Good International Industrial Practices (GIIPs).

APSEZ has a Board-approved reward and disciplinary Consequence Management Policy applicable to positive and negative consequences. Whenever Incident Investigation Committee identifies reckless decision-making as one of the significant causes for an incident, consequence management is applied. A contractor may face temporary suspension or permanent blacklisting if he or she fails to meet APSEZ's safety expectations. The Company's monthly reward and recognition

programme ranks all ports based on its scoring methodology.

APSEZ deployed a comprehensive OHS framework (Safety Governance) covering all manufacturing sites and employees. The Company received OHSAS 18000/ISO 45001 certification for all of its ports in India. As a part of the certification, regular OHS management and improvement plans are drawn and executed. The sites are audited and certified through third-party agencies. The Company's PDCA (Plan, Do, Check, Act) cycle is used for periodic evaluation and improvement. Safety audits as per the Factories Act are also conducted at intervals. APSEZ revised operating procedures to implement its OHS system, covering essentials, personal safety, vehicle safety, process safety management, health and environment. An unsafe behaviour correction system named Suraksha Samwad (Safety Interaction) was implemented across ports. Data analysis of observations were conducted to run appropriate safety programmes.

### OUR BIBLE FOR SAFETY

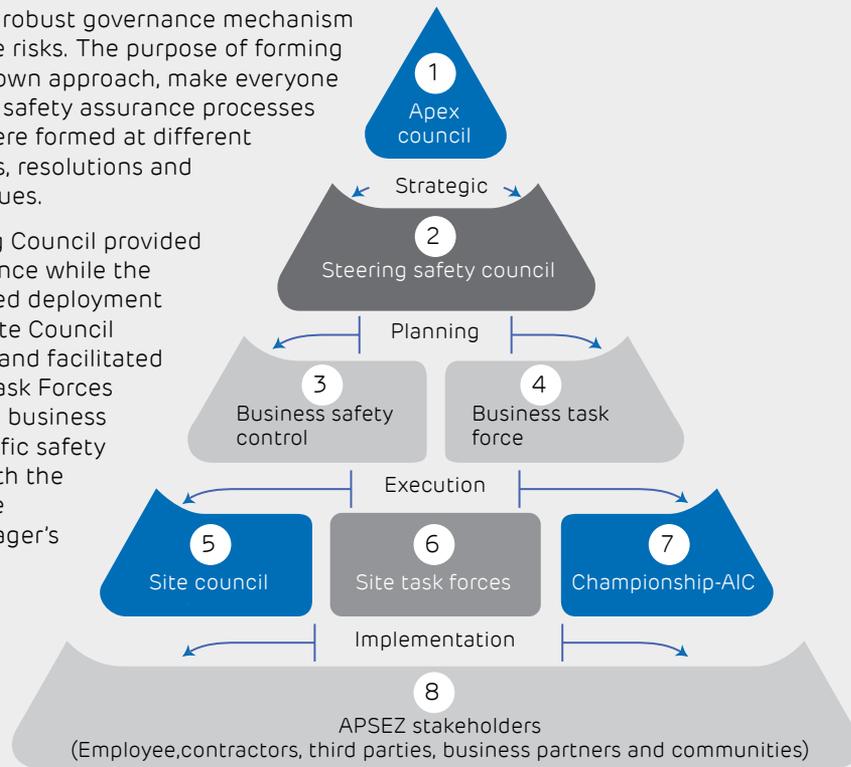
A comprehensive manual - Adani Safety Management System - covers Group Occupational Health and Safety (OHS) Policy, Business OHS policy, Site OHS policy, Safety Governance Process, Felt Leadership, Standard Operating Procedures (SOPs), RACI (Responsibility, Accountability, Consulted and Informed), Goals & Objectives and 10 Life Saving Safety Rules, roles and responsibilities of employees, associates and vendors.

Suraksha-Samwad was employed as a behaviour correction technique.

**OHS governance oversight**

Along with the policies and standards to aim for zero-incident operations, APSEZ instituted a robust governance mechanism to enhance safety and mitigate risks. The purpose of forming governance was to set a top-down approach, make everyone accountable for safety and set safety assurance processes in place. Safety committees were formed at different levels for guidance, discussions, resolutions and escalation of safety-related issues.

The Company's Safety Steering Council provided strategic and technical assistance while the Business Safety Council ensured deployment and resources planning. The Site Council implemented safety measures and facilitated safety excellence. Six Safety Task Forces (TF) were formed at the Group, business and site levels to oversee specific safety aspects. Committees, along with the establishment of six Task Force teams, enhanced the line manager's accountability and ownership in each on-site individual. The safety teams at the corporate, function and line managers monitored safety priority, while systems and practices were certified with Safety Management System (ISO 45001:2018).



Safety committee representation			
	Management	Non-management	Frequency of meetings
Site level	CEO and HODS	Departmental heads, Task forces	Monthly
Business level	Business unit head, CEOs and safety heads	Taskforce heads and safety heads	Monthly
Corporate level	Committee chairman, BU heads and invitees	Taskforce heads and safety heads	Once in two months
Board level	BU heads and Chairman	Special invitees	Quarterly

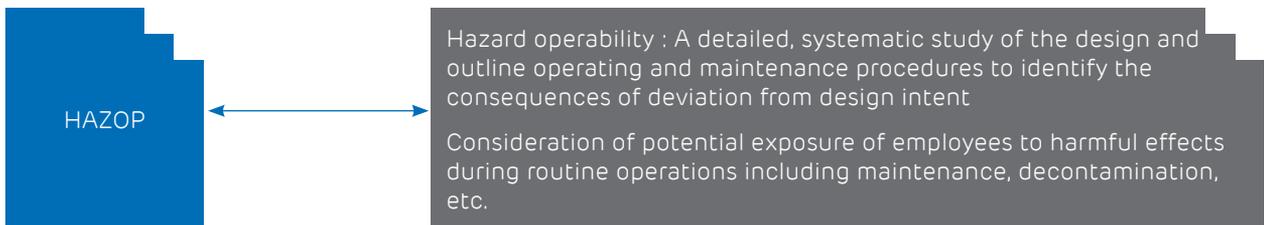
**Process safety**

The Company had a structured process for QRA, HAZID, HAZOP, PSM, PSSR for all expansion and projects and Hazard Identification and Risk Assessment (HIRA) for all operations. A dedicated team of process safety engineers routinely conducted HIRA of all new and existing processes. Additionally, third party process safety consultants undertook process safety gap assessment to identify and close gaps and mitigate risks through appropriate strategies.

The Company had a fully equipped emergency healthcare facilities at all its sites. All employees and contractors underwent pre-employment and periodic medical assessments to monitor their health. Employee health-related information was kept confidential and securely maintained. It appointed a doctor to lead occupational and individual health initiatives for employees.

**Process to identify work-related hazard**

- Safety handholding and assessment done by a third party
- Monthly self-assessment carried out by a task force team
- Vulnerability Safety Risk Assessment by a site task force team (TF2 Contractor Safety Management) to identify and comply with SOP updating/ refining
- Safety Risk Field Audit (SRFA) carried out at the site level by a task force team (TF2 Contractor Safety Management) on a regular basis



During the year under review, all project expansions were supported with HAZOP studies across APSEZ ports. The Company deployed a solution that provided a common platform for comprehensive process hazard assessment and defined controls to harmonise risk assessments. It investigated incidents, reported

and aimed to learn from them to improve the safety performance. Learnings from incidents were communicated as safety alerts to all ports, and CAPAs were monitored for horizontal deployment through critical vulnerable factors. Hazardous locations were equipped with technological-based real-time

monitoring through CCTVs to enable 24x7 timely action and alerts. This was supported by continuous audio safety announcements at locations in regional languages. Simulation training was developed and made available at the entry gate for all visitors including employees who entered the premises.

**GenSuite digital incident tracking system**

The Company's workmen interacted on health and safety matters through Samwad, a platform to engage, share experiences and learn from others. They were encouraged to report concerns through the online portal. Therefore, APSEZ incorporated incident reporting and response management through an online platform - 'Adani GENSUITE'. This platform provided a quick reporting of safety concerns, near-misses and incidents observed by any individuals including contractors in any operations in 40 seconds, using only a smart phone. On the other hand, there was a provision of anonymous reporting at the workplace.

Employees, including workmen report safety events including near misses and observations like unsafe acts and conditions

Triggers Incident Investigation and Root Cause Analysis

Recommends Corrective and Preventive Actions (CAPA) based on findings

Applied hierarchy of controls

Generated email alerts at every stage to relevant stakeholders

**Safety training**

To embed health and safety in the APSEZ's business, it prepared and educated its workforce for unforeseen scenarios. The safety training needs of employees and contractors were assessed based on the nature of their job and workplace-specific hazards. They underwent regular safety training by external and in-house experts. Mock drills were conducted

at regular intervals to test the effectiveness of the emergency management system.

APSEZ developed e-Vidyalaya, an online learning platform where safety e-learning modules were available for the workforce to create awareness, ownership and educate implementation of safety procedures. Train the Trainer (TtT) was developed on each safety

procedure for the implementation and enhancement of the safety culture. Basic audio-visual-based safety induction training at the port entrance was made mandatory.

**Simulator based trainings:**

Training simulators for all critical equipment were placed in training centres before one touched the machine.

**Training and capability building**

Health and safety trainings were mandatory for APSEZ employees

**525,962** training person-hours were invested in health and safety in FY 2021-22

**Safety during Covid-19**

The pandemic continued to affect lives and livelihoods. APSEZ supported recovery efforts. Despite continuous Covid-19 cases during FY 2021-22, APSEZ maintained its safety commitment. The Company endeavoured to abide by its robust safety governance system. The tough period called for managing the health of every worker. The

Company developed effective quarantining rules and operational measures for the workforce at sites directly aligned with the country's Covid-19 rules.

**Employee wellbeing**

The pandemic prioritised the need for employee mental wellbeing. APSEZ promoted the mental wellbeing of its workforce. It developed a 24x7 support

assistance for employees. In FY 2021-22, 2259 person hours sessions conducted for employees on health and wellness, including mental health.

The Company covered employees and families under its health and medical insurance plan. APSEZ provided free medical assistance to its workforce.

As an employee-friendly company, the Company listened and

understood employee wellbeing, perception on work culture, comfort with managers through online surveys/meeting and discussions. This approach helped identify health and wellbeing risks and develop mitigation plans.

**Staying healthy and positive**

APSEZ facilitated a majority of its administrative workforce to work from home during the pandemic. The Company supported the purchase of proper ergonomics

equipment for employees. The Company provided Virtual Private Network and internet access.

**Yoga and physio programmes**

**Scope:** All employees

**Details:** Yoga classes, both intermediate and advanced, are conducted on virtual sessions. Dedicated yoga and physio centres were commissioned within the office premises. Expert consultations for employees was made available. In case of detailed interventions, professional help was enlisted.

**Impact:** Promoted physical and emotional wellbeing of employees leading to increased productivity in the professional and personal spaces.

**APEX wellness programmes (emotional & mental well-being)**

**Scope:** All employees

**Details:** At APSEZ, we see our people as holistic individuals who bring their whole self to work. This capability building was not just on competencies but also on emotional and mental resilience. Wellness programs imparted practical techniques (meditation, yoga, breathing exercises etc.) to reduce stress facilitated by Art of Living experts.

**Impact:** The Company conducted 10 small Group wellness programs covering 209 employees. Some 10 large group wellness sessions were conducted and streamed on Youtube to which employees and family members were invited.

**Operations safety**

During the year under review, OHS processes and systems were extended to cover port operations, logistics business and safety of warehouses and road safety. The Company ran sensitisation and capability building drives. The Company focused on road safety, defensive driving, vehicle safety, warehouse safety, office safety and electrical safety.

**Road safety:** The driver-focused road safety initiatives included practical road safety training programmes. Speed radar guns across multiple locations warned drivers and reduced the possibility of accidents. Besides, the entire facility was covered by CCTVs with video-analytic capability to generate advance warning. The Company educated drivers in respecting the speed limit. It trained to enhance awareness and mitigate of risks among employees and their families.

**Infrastructure design and condition:**

Considering relevant health and safety risks associated with poor infrastructure, the Company conducted structural stability assessments at our facilities. A specialised team conducted assessment and provided recommendations related to infrastructure stability and access. During FY 2021-22, the highest priority recommendations raised by the team were completed to ensure that all structures remained safe, secure and accessible.

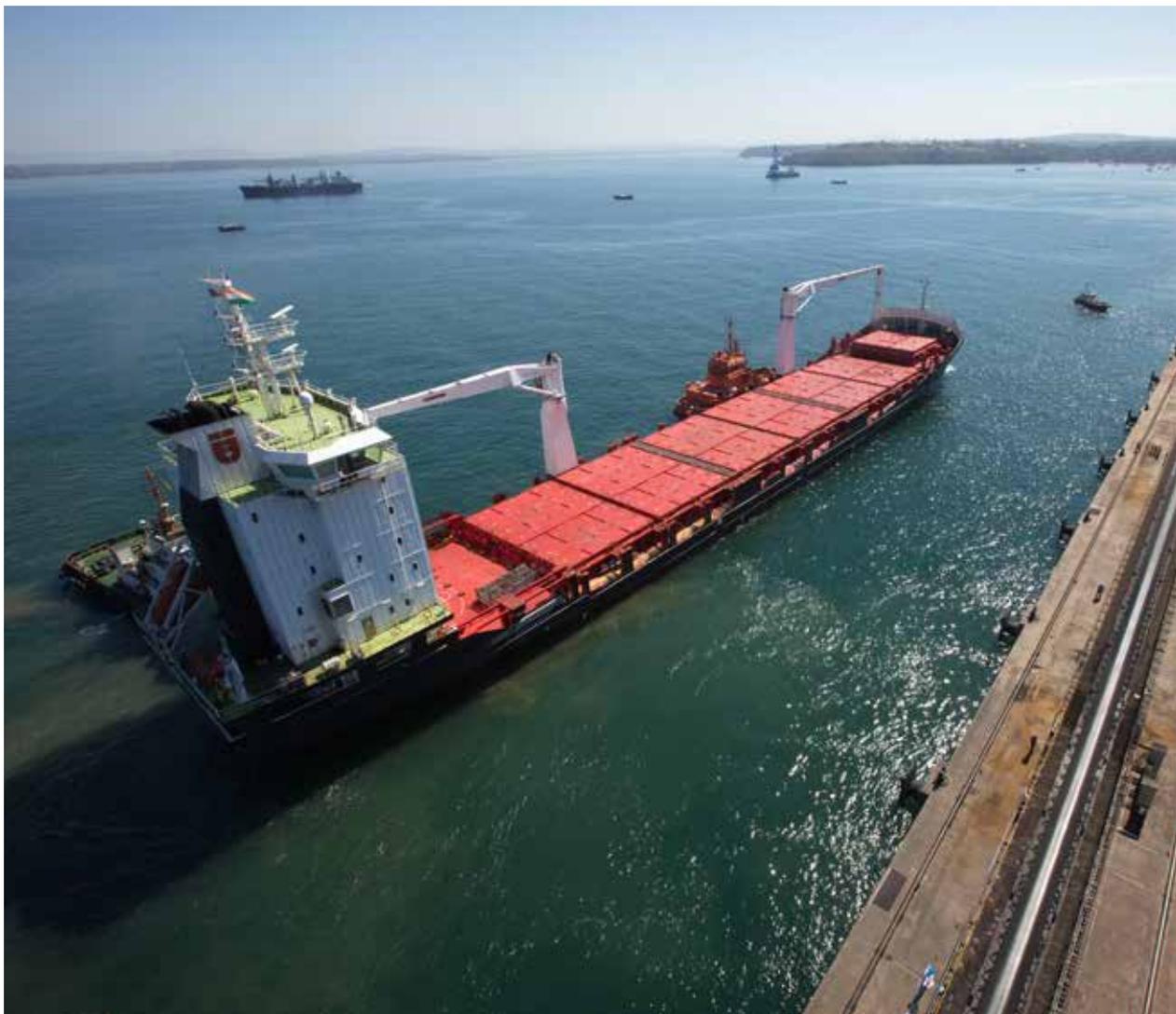
**Contractor safety management:**

As primary operations were handled by contractors, workmen safety remained integral to health and safety management. A dedicated taskforce was formed at the Group level (strategic and technical assistance), Business level (deployment and resource planning) and site level (deployment) to implement Contract Safety Management

(OHS 08). Monthly meetings were conducted at the Group level, Business level and Site level for the implementation of Contractor Safety Management at sites.

The Company managed contractor safety through an online contractor safety management (CSM) portal, which required all contractors who worked on our sites, to provide evidentiary proof of their safety culture (pre-qualification), practices and documents before work initiation. Contractors were familiarised about safety procedures at the site including the layout of size and peculiarity to workplace requirements through regular toolbox discussions and continuous workplace monitoring. For managing extreme event possibilities, team members were authorised to stall operations if any unsafe act was observed. In addition, effective visual tools were deployed across all sites for worker benefit.

**Six-step contractor safety management program**



**Emergency response programme**

APSEZ implemented an Emergency Preparedness & Response Plan (EP&RP) this at port locations and was in the process of instituting at the newly acquired ports of Dighi and Gangavaram. The plans covered response process, escalation hierarchy and controls to be deployed in an event of extreme disaster situation during construction, operation, maintenance, decommissioning and associated facilities of the port sites. Emergency Preparedness & Response Plans and associated procedures, practices were periodically tested through simulations, involving relevant interested parties as appropriate.

Fire safety was maintained through a provision of fire-fighting equipment, sensors for the early detection and information on fire, fire safety audits, training and information sharing on fire safety, and the identification of areas with fire hazards through placards.

- Identification of manmade and natural emergencies and associated risk for employees, community, and infrastructure
- Identification of probable effect of on site and off site
- Inspection and maintenance requirement
- Emergency evacuation procedure, including type of evacuation and exit route assignments such as floor plans, workplace maps, and safe or refuge areas.
- Emergency communications system
- Managerial responsibilities for emergency preparedness, response and investigation
- Identification and collaboration with mutual aid partners and government authorities
- Continuous training of emergency response teams, all employees and community
- Mock drill and EPRP review
- Recording and reporting requirement during and after the emergency.

**Security**

Security risks for workers, community and infrastructure, arising out of geopolitical developments, were assessed through the risk management framework. APSEZ comprised a three-layered security system (physical security, patrolling and drone technology-based monitoring) and collaborated with Indian Coast Guards to monitor maritime security. To check preparedness, a Sagar Kawach exercise was periodically conducted with the Indian Navy, Coast Guard and Marine Police. The Company provided timely warnings to local communities and fishermen on safety hazards.

**Our OHS performance in FY 2021-22**

At APSEZ, physical and mental well-being of the workforce is important. The Company continued efforts to improve its operational safety management system of various health and safety data points to identify concern areas/hot spots. This enabled the Company to plan preventive measures, provide training and support employees.

During FY 2021-22, 117,780 concerns were raised online through Adani GENSUITE. The automatic notification of site/department and leveraging charting and reporting features

were embedded to identify trends and leading health and safety indicators. Unfortunately, in FY 2021-22, APSEZ observed three fatalities of contract workers at Mundra, Hazira and Dhamra. The Company conducted a detailed investigation to examine the root cause and develop mitigation plans to prevent recurrence. The learnings were shared with employees and contractors to ensure there were no further lapses. APSEZ reduced 50% fatality of contract workers by implementing critical vulnerable factors audit and safety risk field audits. There were no fatalities among APSEZ's permanent employees in four years.

**Critical safety areas**

- Traffic lane management
- Material handling
- Working at height activities

**Safety incidents occurred in FY 2021-22**

- Road Traffic
- Material handling
- Working at height

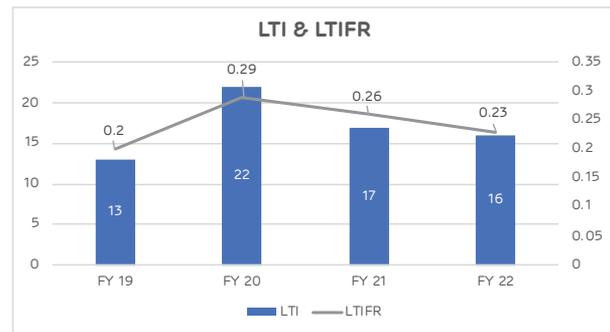
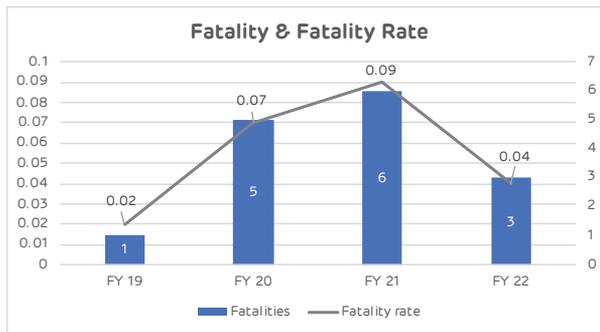
Safety incident description	Actions taken to strengthen safety
Road incident: One fatal incident at Mundra port	<ul style="list-style-type: none"> <li>• Hard controls provided for lane management from main gate to Y-junction to prevent lane jumping.</li> <li>• Re-designed Y-junction to ensure orderly traffic flow to prohibit human intervention for traffic control.</li> <li>• No U-turns at Y junction/ junctions</li> <li>• Prohibited U-turn of HMTVs inside Mundra port</li> <li>• Unidirectional traffic flow across Mundra port.</li> <li>• Review/ risk audit of port traffic management plan with a specific focus on lane discipline and eliminated manual interventions.</li> </ul>
Machine handling: One fatal incident during demobilisation activity at Hazira Port, project phase.	<ul style="list-style-type: none"> <li>• Permit to work system reviewed with respect to routine and non-routine work.</li> <li>• Implementing works without SOP (Standard Operating Procedure), WI (Work Instruction) and TBT (Tool Box Talk) not allowed for routine activities. PTW (Permit to Work) system mandatorily implemented for all non-routine activities.</li> <li>• No PTW, no work' policy implemented in the fabrication yard and non-routine activities.</li> </ul>
Fall from heights : One fatal incident at Dhamra during the conveyor belt shut down maintenance work	<ul style="list-style-type: none"> <li>• Engineer assessment skills and capabilities are carried out to ensure quality supervision through a structured process prior to allocating independent supervision.</li> <li>• Training needs were identified; training was given for improving competence.</li> <li>• All check points in the PTW were ensured for implementation prior to allowing personnel to start work. Any shortfall in resources / infrastructure were discussed with the Area Manager / HOS / HOD for suitable alternate arrangement or solution for reducing risks as low as reasonably practicable based on advice.</li> <li>• A refresher training and awareness program was initiated for all PTW issuers.</li> <li>• On completion of the project, the process of handing over and taking over was reviewed by involving the Centre of Excellence team and pre-start up safety review through a formal team, ensured the requirement of related training and their fulfilment.</li> </ul>

The accidents data reported comprised all incidents within SEZ boundaries, which also included accidents suffered by agencies engaged for one-off or short-term assignments - such as

truck operators coming for goods delivery, civil contractors engaged in construction work and other agencies. In various cases, these fatalities also implied material fines/penalties for contractor

and service providers (as per contractual terms) to ensure that quality OHS practices were adopted.

FY 2021-22 safety performance (GRI 403-9)		FY 2021-22	
		On Roll + FTE on contract	Contractor's workers
Head count	Numbers	2736	31771
Total hours worked	Hours	8218047	61097835
Fatality as a result of work-related injuries	Numbers	0	3
	Rate (per million of person hours worked)	0	0.05
High consequences of work injuries (excluding fatality)	Number	0	0.00
	Rate (per million of person hours worked)	0	0.00
Recordable work-related injuries	Numbers	0 (LTI)	45 (LTI – 16, Fatal -3, MTC – 26)
	Rate (per million of person hours worked)	0.00	0.74



Note: All data in the graphs is based on 1,0,00,000 hours worked

Overall safety performance (On Roll +FTE on Contract + Contractors workers)				
	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Fatalities	3	6	5	1
LTIFR	0.23	0.26	0.29	0.20

#### Safety interventions in FY 2021-22

- Institutionalised tarpaulin covering in dumpers using a fall protection system; special tarpaulin covering sites and facilities were developed for trucks and railway wagons.
- Use of technology like GPS-based Vehicle Tracking System, Vahan Analytics and Surveillance Cameras for

monitoring speed and unsafe acts

- Strengthened safety culture of the leadership team through safety awakening programme, Suraksha Samvaad and incidents investigation
- Carried out a periodic evaluation every six months (for more than one-year contracts)
- Conducted 'Weekly Safety Risk Field Audit (SRFA)' during the

execution of work for tracking the Severity Index Rate

- Implemented Critical Vulnerability Factors (CVF) to avoid similar incidents
- Identified Vulnerability Safety Risks (VSR) by conducting VSR audits to avoid risks
- Horizontal implementation of incident investigation recommendations for all port sites

# Corporate social responsibility



## Overview

Following a rich experience of working with communities for more than 25 years, the Adani Foundation is focused on growing its integrated development. It believes that everyone, regardless of who and where they are, deserves equitable access to opportunities and a fair chance to a better life quality. Over the years, the Foundation responded to society's changing needs through sustainable livelihoods, health, nutrition, education and environmental concerns – with an enhanced focus on women's empowerment. Today, the Foundation's reach covers 3.7

million people in 2,409 villages across 16 States in India.

The Adani Foundation's work is aligned with the United Nations' (UN) Sustainable Development Goals (SDGs). This fit addresses topical needs like livelihoods and poverty mitigation, whole bringing universal perspectives such as Human Rights and Rights of Indigenous People into focus. As a result, Adani Foundation incorporates the three P's – Planet, People and Prosperity – into its programmes.

APSEZ contributes towards inclusive growth, especially in the areas where it operates. It is

committed to build integrated systems to widen the social prosperity circle. In March 2020, the outbreak of coronavirus marked the beginning of an unprecedented phase and the Foundation's relief extended into FY 2021-22 to build a resilient and inclusive society.

APSEZ made ₹33.83 crore of community investments and ₹16.45 crore of charitable donations. Besides, employees spent 804 human hours on community work, which translated to a cost of ₹2,90,832, considering a median employee cost of ₹8.76 lakh.

## Education

The Adani Foundation perceives education as a destiny transformer. The Foundation's provides quality education

through several free and subsidised schools across India. The Foundation runs 'smart' learning programmes and adopts government schools in remote areas. The replicability

and scalability of these models ensures a widening footprint.

The following comprise major educational initiatives:

### Adani Vidya Mandir

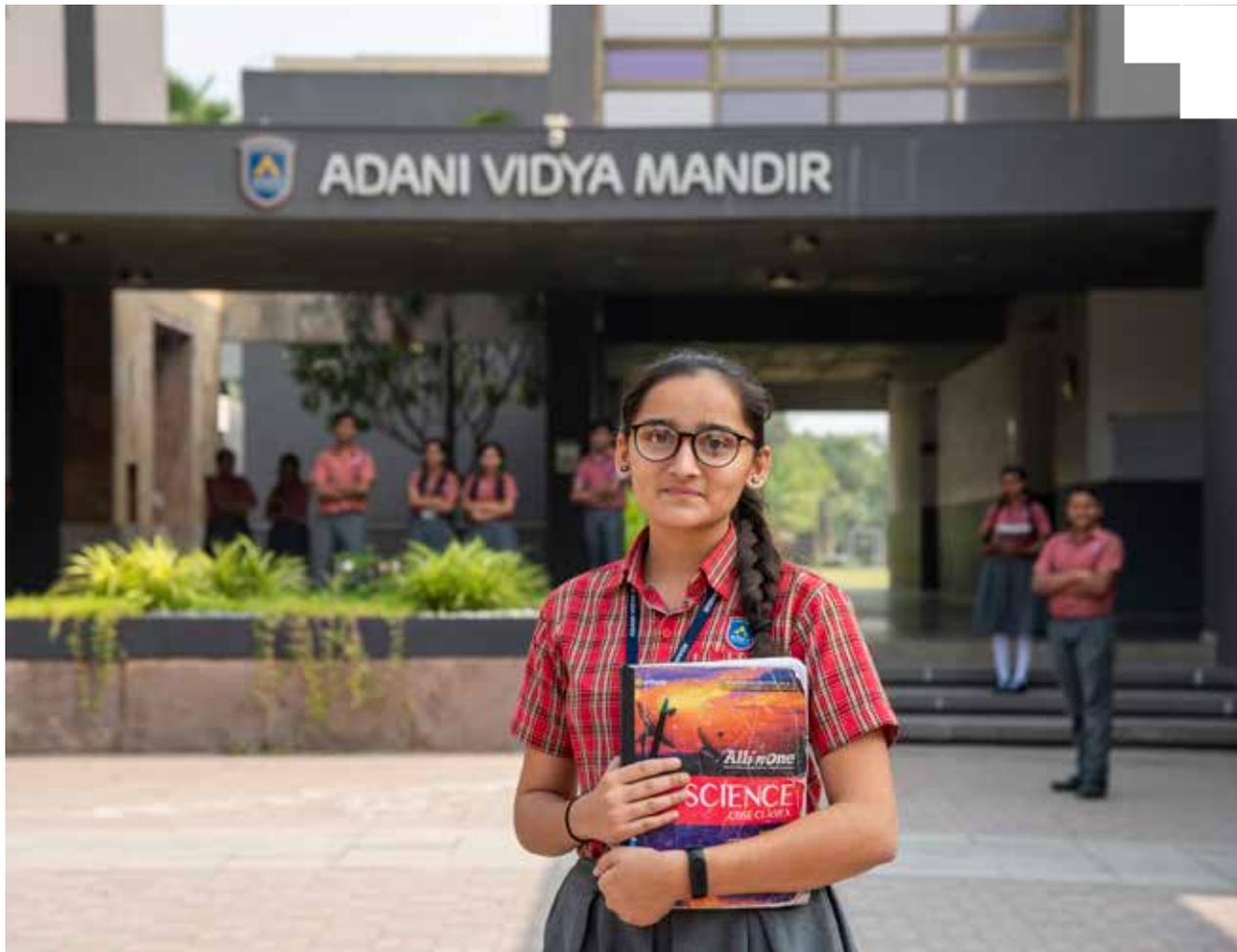
The Adani Vidya Mandir schools, operational in Ahmedabad (AVMA – Gujarat), Bhadreshwar (AVMB – Kutch, Gujarat), Surguja (AVMS – Chhattisgarh) and Krishnapatnam (AVMK – Andhra Pradesh), provide free education to more than 3,065 meritorious students from economically weaker sections. AVMA caters to standards 4 to 12, AVMB to standards 1 to 10, AVMS and AVMK from kindergarten to standard 10. The schools provide students with uniforms, books,

and stationery. Handpicked staff and training ensure holistic student development. AVM schools adhere to the Adani School Manual aligned with National Accreditation Board for Education and Training (NABET) standards under Quality Council of India (QCI).

During the pandemic, AVM teachers and students accustomed to virtual classrooms. Students, who could not participate in the online classes,

were included. For instance, in Bhadreshwar, the designated village coordinators, a majority AVM teachers, visited student homes weekly to provide customised Self-Learning Modules (SLMs).

In 2022, AVMB became the first GSEB affiliated, Gujarati medium school in Gujarat to receive NABET accreditation. Earlier in 2019, AVMA became the first private school in the city to achieve this feat.





## Adani schools

Adani Foundation provided quality subsidised education to 3,289 students through the Adani Public School in Mundra (Gujarat), Adani DAV School in Dhamra (Odisha), Navchetan Vidyalaya in Junagam (Gujarat) and Adani World School in Krishnapatnam (Andhra Pradesh).

**Adani Public School (APS), Mundra,** catered to 2,192 students from kindergarten to class 10 in the academic year 2021-22. It was accredited by NABET under Quality Council of India, making it the first such school in Saurashtra and Kutch. Grateful alumni – doctors, engineers, Merchant Navy officers, sarpanch, teachers, businessmen and technocrats have become responsible citizens.

**Adani DAV School, Dhamra,** affiliated to CBSE, New Delhi, is run by Adani Foundation with DAV College Trust.

The school, started in 2012 with 80 students, has 491 students today.

**Navchetan Vidhyalay Junagam** is a Gujarati medium, GSEB-affiliated primary school approved by DPEO, Gujarat, that provides quality education to children from rural areas. Since 2014, it has been sponsored and managed (academically and administratively) by Adani Foundation. In academic year 2021-22, 427 children studied in Navchetan Vidhyalay.

**Adani Public School (APS), Mundra,** catered to **2,192** students from kindergarten to class 10 in the academic year 2021-22.



## Utthan

Launched in July 2018, Project Utthan, in collaboration with the district administration, adopts government schools. It strengthens foundational literacy and numeracy among students by tutoring priya vidyarthi (progressive learners), arresting the dropout rate, providing infrastructural support, and collaborating for staff capacity building. With the support from supplementary teachers

called Utthan Sahayaks and by creating joyful learning spaces with adequate facilities, the Foundation is committed to all-round child development.

The project was started on a pilot basis in Mundra (Kutch) and has 13,630 students across 103 schools and 16 AWCs. The project is functional in Hazira (Surat), Dhamra (Odisha) and Dahej (Gujarat). Even during pandemic-induced restrictions, the project

reached beneficiaries – digitally and through online cum in-person learning.

Support was provided for enrolling in National Means-Cum-Merit Scholarship (NMMS) and Jawahar Navodaya Vidyalay (JNV), covering scholarship and offering admission in Class VI on a merit basis. In FY 2021-22, more than 1000 students were supported through JNV and NMMS.

## Merit-based scholarships, Dhamra

To ensure that no deserving student in the vicinity of our operations should miss the opportunity to pursue higher education due to a lack of financial means, Adani Foundation

at Dhamra Port provided merit-cum-means scholarship to 69 students worth ₹8.28 lakh. Started in 2009, this programme has extended scholarship grant to 304 students from the 10

vernacular medium high schools under Odisha Board of Secondary Education for pursuing 10+2 worth ₹12.02 lakh.

## Community health

Adani Foundation regards healthcare as a basic human right. Its focus lies in improving access to quality preventive and curative services for financially

weaker sections. It runs Mobile Health Care Units (MHCUs) across hospitals and rural clinics, organising general and specialised health camps. During

the pandemic, the Foundation safeguarded frontline responders and citizens.



### GAIMS, Bhuj

Gujarat Adani Institute of Medical Sciences (GAIMS) is the first Public-Private-Partnership (PPP) endeavor between the Government of Gujarat and Adani

Education & Research Foundation. GAIMS is the only Medical College and Multi-Specialty Modern Teaching District Hospital (G.K. General Hospital) in Kutch district. G.K.General Hospital became a designated Covid treatment

center, procuring essential equipment like ICUs, ventilators, and extra beds. In FY 2021-22, GAIMS registered 2.56+ lakh OPD footfall 37,615 IPD.

### Health cards and camps

Health camps were organised covering gynecology, blood donation, eye check, awareness of government schemes; some 8,401 patients were treated at these camps a year.

### Rural clinics and mobile healthcare units

Some 11 rural clinics and one wellness center at various

port locations provided timely services and recorded 28,455 patient footfalls in FY 2021-22. The Foundation operated Mobile Health Care Units (MHCUs) that reduced travel time, hardship and expenses, a doorstep boon for women, elderly, and children. In FY 2021-22, five MHCUs provided 69,248 treatments in villages around Mundra, Dhamra and Kattupalli locations.

### Adani Hospital, Mundra

Adani Hospital is a 100-bed secondary care hospital catering to the healthcare needs of the local population of Mundra and neighboring areas. It is committed to groom skilled medical professionals and providing clinical services at affordable rates. During FY 2021-22, the hospital provided 29,655 OPD services and 1,636 IPD services.

### Project Swasthya in Dahej

Project Swasthya was implemented in Dahej to develop and implement community-based, non-pharmacological lifestyle interventions for diabetes, hypertension, and women's health concerns. Some 584 patients across 23 villages received

benefits through Primary Health Centre (PHC), Dahej. 2417 children benefited from polio vaccine campaign.

### Potable water

Adani Foundation provides potable water to fisherfolk across different settlements,

helping reduce the incidence of water-related diseases such as ascariasis, diarrhea, schistosomiasis, and trachoma. In FY 2021-22, potable water requirement of 1,031 families was fulfilled, which helped reduce women's drudgery and not having to venture to far-off areas to fetch water.



## Sustainable livelihoods

Adani Foundation builds social capital by promoting self-help groups, enhancing agricultural and animal husbandry practices, and creating cooperatives and producer companies. Specific skill-development programmes were designed for fishermen communities, farmers, and cattle owners as well as youth and women to assume allied activities.

### Agriculture

Adani Foundation works with farmers to upgrade skills to empower them to earn more and sustainably. The Foundation encourages the use of organic farming, natural manure, and irrigation facilities. In Dhamra, Paddy Line Transplanting has increased the yield 41 to 52 % in compared to the traditional

practices with an average monetary benefit of ₹18,000 to 21,000 per farmer to 394 farmers. Integrated Crop Management (ICM) paddy demonstration has brought the yield enhancement from 12 to 15 quintal/acre in traditional practice to 31 quintal/ acre to 33 quintal/acre by adopting SRI technology associating 50 farmers. The



adoption of organic practices led 48 farmers in producing 3 – 3.5 quintal onion from 5 acres land with the monetary benefit of ₹80,000 to 1,00,000/ farmer. 117 farmers supported with 150 quintal of hybrid Elephant Foot Yam seeds implanted in 15 acres of distributed land are expected to get a yield of 45 to 50 quintal per acre with a monetary benefit of ₹1,50,000 to 1,60,000/acre. Some 45 farmers who received 6000 papaya saplings are expected to get a yield of 25 to 30 KG of papaya per plant.

In Mundra, 150 farmers prepared JivaMrut and Gaukrupa Amrutam bio-fertiliser used in agri crop. Training was arranged by ATMA and Adani Foundation; more than 700 farmers participated. Four farmers groups were registered with ATMA – Agricultural Technology Management Agency – to capitalise on government schemes. In Kattupalli, 30 model farms were created. In Dhamra,

a Farmers' Club was set up to train, facilitate and enhance knowledge sharing. In Dahej, Adani Foundation supported Suva Gaushala for institution building, managed by a youth group to integrate agriculture, horticulture, and cottage industries.

#### Animal husbandry

The livestock development project supported by Adani Foundation was implemented in Mundra, Dhamra, Dahej and Hazira. Its objective was to create supplementary incomes through animal livestock development. This was achieved through awareness among farmers about socio-economic benefits by improving local animals, training in best animal husbandry practices, cattle development through breeding, fodder development, promoting vermicomposting and running vaccination camps, veterinary camps, and mobile veterinary units.

In Mundra, fodder was cultivated on 25 acres of Siracha village. Some 200 farmers were being supported for maize seed and NB21, which created a revenue of ₹27 lakh. Adani Foundation and Government Animal Hospital organised cattle awareness camps in 22 villages. Foot-and-mouth disease and deworming was done across 1,883 cattle owners benefiting 15,700 cattle.

In Dahej, under the Pashudhaan project, 484 artificial inseminations were performed, 172 dairy animals conceived, and 249 calves born to cows and buffaloes during FY 2021-22.

In Hazira, under the Kamdhenu project, 2261 artificial inseminations were performed, 1114 dairy animals conceived, and 1066 calves born to cows and buffaloes during FY 2021-22. Some 23 animal husbandry training schemes were conducted in Olpad taluka;

386 beneficiaries were present. Some 10,000 vaccinations for Foot & Mouth Disease were done and deworming drugs given to 11,077 animals in 19 villages of Choryasi and Olpad talukas. Some 20 infertility and general health camps were organised in 18 villages of Olpad taluka in which 679 animals were treated.

In Dhamra, 2297 procedures for artificial insemination were carried out and 515 calves born in villages of core GP and port periphery. The mobile veterinary units treated 38,748 animals and treated 9387 animals in 12 livestock treatment camps.

### Support to women's Self-Help Groups (SHGs)

Adani Foundation facilitated women's self-help groups (SHG), who helped unorganised SHG members in establishing women producers' groups to increase their income. It linked SHG producers' groups to government schemes.

In Mundra, 15 SHGs benefited 168 women engaged in making tie & dye products, sanitary napkins, FSSAI-certified dry snacks, phenyl and washing powder, generating

a turnover of ₹11.5 lakh. In Hazira, four women's SHGs were functional; Adani Foundation collaborated with SEWA, organising marketing exposure visits. The Foundation supported the development of an SHG group called Jagruti Sakhi Mandal, tribal women from Songadh taluka in Tapi district. They were provided machinery and raw material for making sanitary pads. An MoU between ICDS and SHG group was signed for the procurement of sanitary napkins prepared under various schemes with the help of District Development Officer, Tapi district. In Dahej, 5 SHGs benefited 52 women through training and material support, generating a revenue of ₹5.66 lakh through vermicomposting, AMUL parlour, snacks and cloth masks/bag making. In Dhamra, 12 SHGs and FPCs employed 352 members, mostly addressing paddy straw mushroom cultivation and processing, paper plate making.

### Project Swavlamban

Project Swavlamban aims to make differently abled people of Mundra financially independent in coordination with Social

Welfare Department, Government of Gujarat. The Foundation provided training, playing a key facilitator role through a tie up with Government Scheme for Widows, Senior Citizens, COVID support, children schemes and Handicapped people. Some 667 beneficiaries were linked to the pension schemes, which will give benefit of ₹16.01 lakh. Similarly, 453 beneficiaries linked with government schemes at Kattupalli location and 31 beneficiaries at Dahej location to leverage resources.

### Support to fisher-folk

Adani Foundation provided 68 fisherfolk children with educational material, stationery, and cycles. To develop technical and non-technical skills, training was conducted for youth and women covering digital literacy, spoken English classes, sewing training and industry tie-ups to provide livelihood opportunities. More than 1250 fisherfolk participated in awareness sessions on addiction, good hygiene practices and financial independence.



## Community infrastructure development

Adani Foundation endeavored to make activities responsive to grassroot requirements. The Foundation facilitated small scale structures, technical facilities, and systems at the community level critical for lives and livelihoods. Adani Foundation also collaborated with beneficiaries and government bodies to implement techniques for collection and storage of rainwater. It promoted user efficiency through drip irrigation, supporting the expansion of horticulture and encouraging reduced water intensity in agriculture.

### Mundra

- Adani Foundation (Fisherfolk Development Project) constructed 23 shelters at Randh Bandar
- Four rooms were constructed in Wandi and story's were constructed in Shekhadiya village for community gathering and training.
- Renovation and upgradation of a check dam and river rejuvenation work in Siracha and Bhujpur villages was carried out
- Installation of 50 rooftop rainwater harvesting structures and 83 borewell recharge works was completed.

### Dahej

- Pond deepening and development was carried out at Luvara pond, the only one in the village and the only water source for animals. This deepening work will increase water storage capacity of 6000 cum and help to 383 animals of 54 families.
- In Lakhigam High school, Adani Foundation constructed a new toilet block for boys and girls. (162 students)
- Adani Foundation constructed a library building in Eklavya

Sadhana school - Thava under tribal district of Netrang, Bharuch (997 beneficiaries)

### Hazira

- Pond deepening at Suvali and Damka villages increased storage capacity by 43,634 cum.
- Assisted National Education Society Trust to construct four classrooms in Junapura village, Olpad block.
- Installed 5 KW solar panels at Navchetan School (Junagam) and 20KW capacity at a community hall in Palsana.
- Constructed girls' hostel at Vanraj Uttar Buniyadi Ashram Shala in Umarda village of Umarpada block addressing 150 tribal students
- Constructed the first floor of a community hall in Damka village
- Constructed a mortuary room with two freezers at Primary Health Centre, Suvali village.

### Dhamra

- Pond deepening and renovation was carried across two community ponds at Jashipur and Bansada villages, increasing storage capacity by 2,623 Cu.Mt.

- Lack of drinking water is major crisis in the saline zone of Dhamra region. It is very difficult to abstract safe water from deep depth approximately 1200 feet from the ground level. Hence providing hand pump in this region will help people to drink safe drinking water for better health.
- 14 handpumps were installed in core GPs
- Three Cement Concrete roads were constructed in Balimunda, Karanpali and Dhamra and a high mast light was installed in Narasinghaprasad village to ensure rural lighting for safe movement of 2000 villagers.

### Kattupalli

- Provided reverse osmosis filter plant of 1000 LPH capacity with borewell and shed at KR Palayam village. It will serve drinking water for 450 families.
- Installed five high mast lights that will benefit to 500 families.
- 3 tractors provided for solid waste collection and transportation serve a population of 7800 in three Gram Panchayats.



## Environmental sustainability

Environmental sustainability involves making decisions and taking actions that protect the natural world.

### Mangrove Biodiversity Park

Adani Foundation focused on biodiversity conservation around its plant sites. In Mundra, Adani Foundation embarked on programmes for coastal and terrestrial biodiversity.

Mangroves cover in Kutch - the second-largest cover in India - increased from 794.77 km<sup>2</sup> to 798.44 km<sup>2</sup>. For two decades, APSEZ has been actively involved

in mangrove conservation and management. Some 12 hectares were developed with mangrove multi-species with a good survival rate. Another 3-hectare coastal stretch was planted with select mangrove species.

### Miyawaki forest

Miyawaki technique was pioneered by Japanese botanist Akira Miyawaki to build forests 10 times faster and 30 times denser. It involved planting dozens of native species to become maintenance free after three years in and around the Mundra landscape. Some 4,965 saplings

of 42 different species were planted.

### Home biogas

Under Gram Utthan Project, Adani Foundation provides home biogas to farmers of Utthan villages. This transition to renewable energy motivates families to use organic waste and reduce their dependence on chemical fertilisers, a departure from charcoal and wood. During FY 2021-22 Adani Foundation supported 106 (cum 223) Home biogas systems, with 20% community participation.

## SAKSHAM (Adani skill development centre)

ASDC, a not-for-profit company, is India's first skills training centre to impart courses like 3D printing, simulator-based crane operator and welding through augmented reality-based simulator. The major areas in which ASDC imparts training comprise digital literacy, general duty assistant (GDA), self-employed tailor and sewing machine operator, beauty therapist, pedicurist, manicurist and assistant electrician in the IT, Healthcare, Apparel, Beauty & Wellness and Construction sectors.

ASDC trained more than 92,114 people in 45 courses across 10 States. Some 20,000 were trained in port locations with a 65% livelihood ratio. Adani Skill Development Centres ran courses online.

### Fortune SuPoshan

Fortune SuPoshan project binds Adani Foundation's three core work areas (education, health, and sustainable livelihoods development). It addresses malnutrition and anaemia among children, adolescent girls, pregnant women, lactating



mothers, and women in the reproductive age.

This was made possible by training SuPoshan Sanginis to go door to door to spread awareness, referrals, and behavioural change. During FY 2021-22, 510 SuPoshan Sanginis reached out to more than 3.05 lakh women and adolescent girls, as well as more than 106,000 children.

### Comprehensive efforts to combat COVID-19

Adani Foundation engaged in line with the requirements of the

government, health agencies, district administration and community members to sanitise villages, provide ration and food packet support and distribute face masks. The Foundation donated ₹122 crore to PM CARES and various Chief Ministers' Relief Funds. In Ahmedabad, more than 800,000 free meals were provided between 29th June, 2021, and 31st March, 2022.

Besides, 11 oxygen plants, 57 oxygen tanks, 9,050 oxygen cylinders (7,100 imported) were installed across India.

## Mapping our activities/initiatives with UN SDGs

	Business activities	CSR and social initiatives
	<ul style="list-style-type: none"> <li>APSEZ's investments in remote locations create critical mass for economic activities and generate employment opportunities</li> <li>The Company focuses on increasing local sourcing to promote local businesses that help people earn sustainable livelihood</li> </ul>	<p>APSEZ-supported Adani Foundation is engaged in:</p> <ul style="list-style-type: none"> <li>Creation of critical rural infrastructure such as ponds, wells and rainwater harvesting structures that help build resilience and save people from falling into destitution during extreme weather events</li> <li>Training and skilling program for locals to improve their employability</li> </ul>
	<ul style="list-style-type: none"> <li>Storage infrastructure (silos) built for agricultural produce by agri-logistics helps in enhancing food security</li> <li>The Company provides meals to 20,000 laborers at the sites each day</li> <li>APSEZ with its business activities generates rural income and employment</li> </ul>	<ul style="list-style-type: none"> <li>APSEZ supports Foundation work in fighting hunger that includes distribution of food packets and community kitchens in Mundra (Gujarat), Dhamra (Odisha) and Vizhinjam (Kerala)</li> </ul>
	<ul style="list-style-type: none"> <li>APSEZ provides healthy work environment to workers and employees and assistance for any major or minor medical needs, including insurance cover</li> <li>The employees are provided counselling assistance to deal with any mental health issues</li> <li>Vaccination drives were carried during the COVID outbreak</li> </ul>	<p>Our initiatives undertaken includes:</p> <ul style="list-style-type: none"> <li>Mobile health care service, dispensaries and hospitals for community and workers to take care of their healthcare needs and spread health awareness</li> <li>Community-based interventions to fight malnutrition and anemia</li> </ul>
	<ul style="list-style-type: none"> <li>Adani Group has invested in providing quality higher education through Adani Institute of Infrastructure Management (AIIM) and Adani Institute of Infrastructure Engineering (AIIE).</li> <li>APSEZ provides training to its employees and supports them financially for pursuing higher education</li> </ul>	<ul style="list-style-type: none"> <li>APSEZ's initiatives on making basic education available to communities:</li> <li>Primary education in cost-free as well as subsidised schools run across India</li> <li>Training and upskilling programs for the community</li> <li>For example, at Dhamra Port merit-cum scholarship was provided to 69 students worth 8.28 lakh</li> </ul>
	<ul style="list-style-type: none"> <li>APSEZ has set a target of 5% women share in the workforce by 2025</li> <li>It provides equal opportunity to women for employment and growth within the organisation</li> </ul>	<ul style="list-style-type: none"> <li>SuPoshan program run by Adani Foundation targets to alleviate malnutrition and anemia among adolescent girls, pregnant women, lactating mothers and women in their reproductive age</li> <li>Helping in strengthening Women's Self-Help Groups engaged in home based and other entrepreneurial ventures</li> </ul>

 <p>6 CLEAN WATER AND SANITATION</p>	<ul style="list-style-type: none"> <li>• APSEZ has a target to reduce its water footprint significantly. It currently uses 56% water from non-competing sources and is targeting to increase to 80% by 2025.</li> <li>• The Company treats the entire wastewater before discharging</li> </ul>	<ul style="list-style-type: none"> <li>• Community initiatives for water infra development like deepening of ponds, building wells and rainwater harvesting infrastructure to improve water availability</li> <li>• It has built around 330 potable water facilities for villagers till now</li> <li>• The Adani Foundation received the 3rd National Water Award from the Ministry of Jal Shakti</li> </ul>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> <li>• APSEZ is targeting 100% renewables in the electricity mix by 2025. It already has 21MW of captive capacity and 22MW of PPA's and targeting another 300+MW of PPA's in 2023. This will help increase the share of renewable energy in the global energy mix</li> </ul>	<ul style="list-style-type: none"> <li>• Under Gram Utthan Project, Adani Foundation provides home biogas to farmers of Utthan villages. This transition to renewable energy motivates families to use organic waste and reduce their dependence on chemical fertilizers, a departure from charcoal and wood. During FY 2021-22, Adani Foundation supported 106 home biogas systems, with 20% community participation.</li> </ul>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> <li>• APSEZ is helping improve economic productivity by bringing new technology and enhancing efficiency in logistics sector and bringing down cost.</li> <li>• By reducing its dependence on fossil fuel use, APSEZ is helping in decoupling economic growth from environmental degradation and promoting sustainable growth</li> <li>• The Company has put in place strong measures to avoid forced labour, modern slavery and human trafficking and child labor in its operations and supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>• We support sustainable livelihood generation, build social capital by promoting self-help groups, supporting initiatives towards preservation of traditional art and organising skill development training to promote growth and development of all sections of the society</li> <li>• Need assessment of community is conducted to identify and prioritise interventions and impact assessment to measure the positive impacts of implemented projects. This helps us maximise the community benefit through our interventions</li> </ul>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<ul style="list-style-type: none"> <li>• APSEZ is developing sustainable and resilient port and logistics infrastructure that will support economic growth and promote human well-being.</li> </ul>	<ul style="list-style-type: none"> <li>• Our community interventions focus on developing sustainable infrastructure to improve the living standard of common people</li> </ul>
 <p>10 REDUCED INEQUALITIES</p>	<ul style="list-style-type: none"> <li>• APSEZ ensures equal opportunity in employment and growth in the organisation</li> <li>• The Company has mechanism in place to identify and eliminate any discrimination on the basis of gender, caste and creed within the organisation and in the supply chain</li> </ul>	<ul style="list-style-type: none"> <li>• We helped more than 800 women from 114 self-help groups (SHGs) in earning their livelihood through various entrepreneurial ventures</li> </ul>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<ul style="list-style-type: none"> <li>• APSEZ supports sustainable and positive economic links between various urban centers by providing efficient and resilient port and logistics infrastructure, given that many large cities across the world are major ports and trade centers</li> </ul>	<ul style="list-style-type: none"> <li>• APSEZ supports sustainable community living by building social capital, promoting self-help groups, supporting initiatives towards preservation of traditional art and organising skill development training to promote growth and development of all sections of the society</li> </ul>

	<ul style="list-style-type: none"> <li>• APSEZ is moving towards sustainable consumption with a target to reduce dependence on fossil fuel and shift to renewable energy.</li> <li>• It ensures environmentally sound management of all wastes and strives to reduce waste generation through prevention, reduction, recycling and reuse</li> <li>• The Company has set a target to reduce its water footprint to source 80% of its water demand from non-competing sources by 2025</li> <li>• APSEZ has a Sustainable Procurement Policy</li> <li>• It integrates sustainability information into its reporting cycle</li> <li>• The Company utilises the wastewater of other industries to minimise freshwater dependency and conserve natural resource</li> </ul>	<ul style="list-style-type: none"> <li>• Fortune SuPoshan initiative by the Foundation promotes the use of local, seasonal foods to combat malnutrition and anemia in the underprivileged sections of the society based on 3A's – availability, accessibility and affordability. This includes bringing a sustainable change in cooking and food consumption habits through community health initiatives.</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ has a target to achieve Carbon Neutrality by 2025 by investing in renewable capacity, electrification of equipment and energy efficiency measures.</li> <li>• Further, based on climate impact assessment it undertakes various adaptive measures for the ports</li> </ul>	<ul style="list-style-type: none"> <li>• We have supported the development of three-acre land near Bhuj in which 90+ species of trees have been planted. The scope of work includes development of the nursery, soil enrichment, plantation of saplings, mulching, biomass application, water supply and maintenance to restore biodiversity</li> <li>• Also carrying out the large-scale mangrove plantation and development project at Mundra in the Kutch region of Gujarat which is a natural protection against storm surge and a large carbon sink</li> </ul>
	<ul style="list-style-type: none"> <li>• APSEZ adheres to 'zero untreated waste' discharge in the sea. It also provides waste collection facilities for the ships calling the ports.</li> <li>• APSEZ's conservation efforts have resulted in the doubling of average turtle nesting near Dhamra. The reported Dolphin count around Dhamra port has seen a significant jump too.</li> </ul>	<p>We have supported in:</p> <ul style="list-style-type: none"> <li>• Cleaning of beaches, development of sanitation facilities,</li> <li>• Preventing discharge of untreated sewage</li> <li>• Conducting awareness campaigns among communities</li> </ul>
	<p>Our afforestation and ecosystem conservation efforts to support flora and fauna includes;</p> <ul style="list-style-type: none"> <li>• Terrestrial plantation of 1000 Ha and a target of 1200 Ha by 2025</li> <li>• Mangrove afforestation of 3239 Ha</li> <li>• Mangrove conservation of 2850 Ha</li> <li>• Development of butterfly park in Dahej</li> </ul>	<p>APSEZ supports</p> <ul style="list-style-type: none"> <li>• Plantation/afforestation activities in community land</li> <li>• Cleaning, deepening of ponds, lakes, canals to support biodiversity</li> </ul>

## Key KPIs of various activities/initiatives

Business benefit KPIs	Environmental and social KPIs
<ul style="list-style-type: none"> <li>• Building the reputation and brand of an inclusive and caring business</li> <li>• Creation of healthy community and healthy workforce</li> <li>• Achieving human capital development and access to talent pool in the local region</li> <li>• Improved engagement with customers and stakeholders</li> <li>• Strengthening of the supply chain</li> <li>• Managing risks and assuring the license to operate</li> <li>• Creating new market opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Building the resilience of poor and highly vulnerable section of community to reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters</li> <li>• Access to quality health-care services and access to safe, effective and affordable essential medicines to the communities in our area of operation at a minimal price.</li> <li>• Socio-economic advancement and empowerment</li> <li>• Providing quality education at a subsidised cost</li> <li>• Ensuring higher education opportunities for deserving students and encouraging entrepreneurial spirit among students through learning-based initiatives</li> <li>• Creating supplementary income through animal livestock development</li> <li>• Upgrading skills and practices of farmers so that they can earn more sustainably out of their lands to take up different agribusiness</li> <li>• Afforestation, conservation, and enhancement of terrestrial and marine biodiversity</li> <li>• Upholding human rights and dignity across value chain</li> <li>• Reduce our climate impacts through low carbon pathway commitments and building resilience through enhancing physical and strategic resilience of both our operation and key stakeholders.</li> <li>• Develop robust system to track and ensure integration of climate change in relevant business activities.</li> </ul>



## Case studies

## Improving farm practices, boosting incomes

Farmers are the mainstay of our economy and Adani Foundation strives to strengthen their prosperity through knowledge sharing and dedicated trainings. 46-year-old Ashesh Kumar Das, a farmer from Kuamara village of Bhadrak district in Odisha, had been cultivating paddy in his 2.25 acres of land using traditional methods till 2020 and his yield was just enough to feed his family for a year. Farmers like him have a limited access to irrigation facilities and agricultural output is completely dependent on the vagaries of monsoon.

In early 2021, Ashesh Kumar came to know about the Foundation's Field School training on Kharif paddy. He attended all 6 trainings on SRI technique – an organic method of paddy cultivation that is low-cost and less water-intensive and in turn gives a higher and high-quality yield. He then cultivated 2 acres of his land through SRI practices during the kharif season. Previously, 25-30 Kg of seed (at the rate of ₹50 per Kg) was required to cultivate one acre of land. Now, under line transplanting through the SRI method, the requirement of seed

for 2.5 acres reduced – only 2 Kg of seed was required for 1 acre of land. Similarly, only 8 person-days (labour) was required in 1 acre of SRI paddy transplanting against 12 person-days in traditional method at the rate of ₹550 per man-days. Apart from the reduced input cost, the production in SRI method increased compared. This improved the overall condition of Ashesh Kumar's family, moving it towards a better standard of life.

## Education as the cornerstone of development

Mohammed Shakil Manjaliya is a resident of Luni village in Mundra, which is home to many fisherfolk families. His father Osmangani Manjaliya is a Pagadiya fisherman – he practices foot fishing. Mohammed Shakil studied at government primary school until class 6 and was to join his father and enter the family occupation. It was around this time, in 2014, that Adani Foundation's team was visiting fisherfolk settlements to offer schooling at Adani Vidya Mandir, Bhadrashwar (AVMB). AVMB caters to children from socio-economically weaker sections of the society – especially the fisherfolk – in and around the

village of Bhadrashwar. It provides free education, books, uniforms, and nutritious meals to all students. This is how Mohammed Shakil enrolled in AVMB in class 7 and became a first-generation learner.

Mohammed Shakil was a bright but quiet student who was groomed over the years. The first milestone for him was securing the first position at the district level running competition at Khel Maha Kumbh. The next one was securing the second position by scoring 77% in the school's class 10 result in the 2017-18 exam. He was not confident about pursuing further studies but

upon being counselled, he gave it a shot. It was no surprise then, that he secured admission to pursue a diploma in Mechanical Engineering in Government Polytechnic College, Bhuj; Adani Foundation sponsored his fees. In July 2021, Mamadsakil became the first engineer in Luni's fisherfolk community. Another big moment of pride came in the Manjaliya family when Mohammed Shakil received an offer of employment with the APSEZ in Mundra. In 2022, AVMB became the first GSEB affiliated, Gujarati medium school in Gujarat to receive the NABET accreditation.





## Governance

### How we have built a confidence-enhancing governance platform

#### Overview

At APSEZ, we believe that governance creates a modern-day context for success. While the subject is one of growing importance in various spaces, it is even more so within our sector. In the ports and logistics business, the Company addresses national priorities like economic growth, job creation, hinterland prosperity, environmental protection

and rejuvenation, companies, communities and other stakeholders. These overarching priorities warrant governance comprising vision, strategic clarity, ethical commitment, de-risking discipline, process discipline, stakeholder focus, consistent performance growth (financial and operational), perpetual safety, environment respect, business transparency and shareholder reward.

**Direction**

At APSEZ, the corporate direction is aligned with national priorities. The Indian government is on the way to emerge as a USD 5 trillion economy by the later part of this decade, catalysed by a range of reforms across sectors. These reforms are expected to enhance the ease of doing business, accelerate consumption, increase incomes and strengthen prosperity.

**Larger picture**

At the core of our governance priority lies a vision clarity. APSEZ seeks to emerge as the largest and most sustainable port Company in the world and India's largest integrated transport utility by 2030. The Company also intends to achieve 500 MMT of managed cargo by 2025 while becoming the first Company in the world to be carbon neutral for its port operations in that same year. This objective has been communicated to all the Company's stakeholders. The result is a shared vision, energy and collaboration in reaching that target on schedule.

**Discipline**

APSEZ's governance discipline comprises a commitment to do things in the right way, the gains disproportionately higher than the time, effort and funds. This discipline has helped the Company enhance systemic consistency and outcomes.

**Long-term**

At APSEZ, we are building our business around long-term relevance with a commitment to build enduring national assets for decades. This long-term approach has influenced investments in assets, technologies, brands, people, locations, products and trade partners. This approach – initially high cost but low cost across the long-term - has translated into capital efficiency, superior margins and quicker payback.

**Singular focus**

At APSEZ, core competence represents an insurance against downturns. In view of this, we have positioned ourselves not only as a port operations Company but as an integrated logistics organisation offering a single-point solution that empowers the Company to emerge as a global benchmark (construction, operations, management and financing).

**Controlled growth**

At APSEZ, we balance caution and aggression (strategic aggression and tactical conservatism). We focus on capital investments generating a short payback, maximising cash flows and reinvestments. This approach generates adequate accruals to sustain subsequent growth with owned capital. The Company's funding has been structured around debt at one of the lowest costs and longest repayment tenures.

**Benchmarks**

At APSEZ, 'good' is not good enough; we invested in a culture of excellence to emerge as a global sectorial benchmark in terms of service and resource productivity leading to continuous cost management and sustainability.

**Process-driven**

At APSEZ, the promoter charts out a strategic direction and delegates day-to-day management to professionals. The Company deepened investment in processes and systems, especially information technology. This framework is scalable and is expected to empower the Company to grow profitably with optimal talent.

**Predictability**

At APSEZ, we believe that there is a premium on long-term predictability. This predictability resides at the heart of our business model where we enjoy stable and predictable business from several customers (almost with an annuity revenue impact).

**Knowledge and data-driven**

At APSEZ, we are an analytics-driven organisation. We engaged competent professionals who worked in large infrastructure organisations, possessing a rich experience in project management, commissioning and operations. Besides, the Company invested in digitalisation to accelerate workflows, generate rich data (operations) and derive an accurate understanding of ground realities leading to fact-based decision-making.

**Board of Directors**

At APSEZ, we believe that our strategic direction is largely influenced by our Board of Directors. We have placed a premium on Board composition, comprising professionals of standing. These individuals have enriched our values, experience, multi-sectorial understanding and strategic depth. Our Board members approve APSEZ's policies, purpose, values, vision and overall strategy, goals and targets, which are linked to the national and international framework, commitment and guidelines. The Board is composed of a balanced mix of Executive and Non-Executive Directors, independent professionals to provide independent judgment on APSEZ's strategy and performance and comply with Securities and Exchange Board of India's (SEBI) listing requirements. As of 31st March, 2022, our Board had two Executive Directors, three Non-Independent Directors and five Independent Directors, meeting the requirements of the Companies Act, 2013

and the Listing Regulations. Two of ten Board members were women. The Board was supported by Board Committees (Audit, Nomination and Remuneration, Stakeholders' Relationship, Corporate Responsibility, Corporate Social Responsibility, Information Technology and Data Security, Risk Management, Mergers & Acquisitions, Legal Regulatory & Tax, Reputation Risk). As a step towards better governance practice, for the financial year ended 31st March, 2022, the Board engaged Grant Thornton Bharat LLP, advisory firm for facilitating Board evaluation. The evaluation process focused on Board dynamics and softer aspects. The process involved independent discussions with all Board members. The recommendations arising from the evaluation process were considered by the Board to optimise its effectiveness. This was the second independent Board evaluation and APSEZ intends to conduct these evaluations regularly.

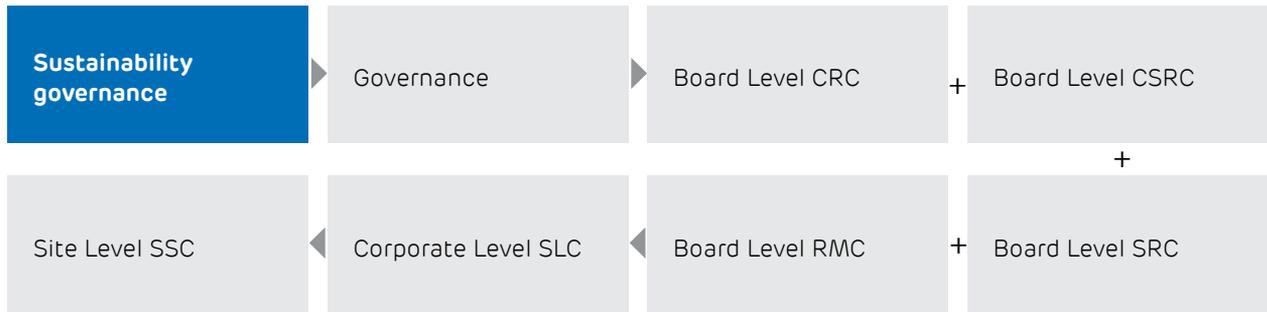
**Code of conduct and ethics benchmarks**

APSEZ’s Code of Conduct serves as an ethical standard that guides the Board and employees in issues related to ethical confusion, corruption, bribery and gender that could affect the Company’s public standing. The Company’s compliance management system ensures adherence to legal regulations and internal guidelines.

An IT-enabled compliance management system called Legatrix provides compliance status through dashboards and serves as a resource library. APSEZ’s operations have been designed by an ethical framework that have spelt out the Company’s position on anti-corruption, antibribery, Code of Conduct and Ethics, Whistleblower mechanisms and grievance redressal. The

Company has not suffered any breach of Code of Conduct (corruption and bribery) in its business or legal proceedings.

As a policy we do not allow any political contribution without the approval of the Board of Directors (refer point 9 of Guidelines for Code of Conduct in the Investor section on APSEZ website). In FY 2021-22, APSEZ made no political contributions.



**Audit and compliance-driven**

At APSEZ, business predictability and stability are derived from a responsible system. The Company strengthened an audit-driven and compliance-driven approach. The Company has not incurred statutory penalties.

**Dual class shares:**

The Company has only one class of equity shares.

**CEO to employee pay ratio**

- Median annual compensation of all employees, except the Chief Executive Officer: ₹8.76 lakhs
- The ratio between the total annual compensation of the Chief Executive Officer and the median employee compensation: 50:1

**Focused responsibility**

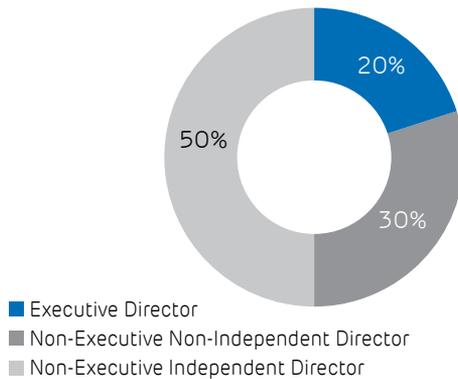
The Board of Directors delegated to the Corporate Responsibility Committee (CRC) matters related to Environment, Social and Governance (ESG) and sustainable management. The CRC has an oversight of all material sustainability topics, including climate, water, human rights, community etc. It addressed risks and opportunities towards sustainability strategy, policy, environmental and social compliance.

Corporate Social Responsibility Committee (CSRC) empowers the Company to be a socially responsible corporate citizen that contributes to the social good by integrating economic and social objectives with the Company's operations. The objective of the committee is to identify areas of Corporate Social Responsibility (CSR) activities, recommending expenditure on CSR activities and monitoring the CSR policy.

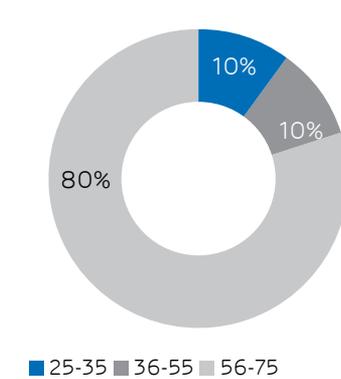
Stakeholder Relationship Committee (SRC) defines the processes, conducts and manages the stakeholder engagement for all functions of the Company. Similarly, Risk Management Committee (RMC) oversees the risk identification and management of Company. SRC in conjunction with these committees performs stakeholder engagement and risk assessment on ESG and sustainability topics. The Company's cross-functional Sustainability Leadership Committee (SLC) ensures the operationalisation of sustainability strategy as a part of the business strategy. The SLC oversees ESG and sustainability strategy, policies and practices coupled with review and reporting to the Board. The Sustainability Leadership Committee (SLC) updates the Board quarterly, and the board provides feedback and direction.

The Sustainability Steering Committee (SSC) is a site-level committee, which ensures that every sustainability item is operationalised at the respective site.

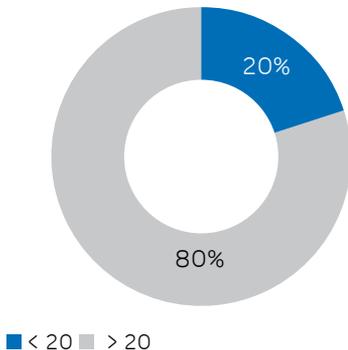
**Board composition**



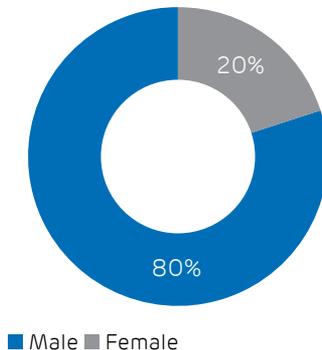
**Board age profile (in years)**



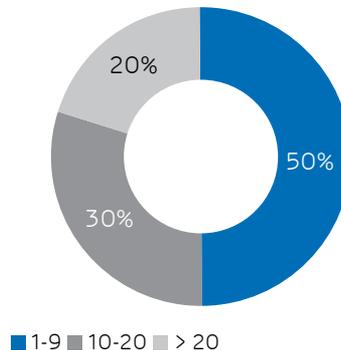
**Board experience (in years)**



**Diversity**



**Tenure of the BOD (in years)**



# Board of Directors



## Mr. Gautam Adani

Chairman and Managing Director

Mr. Gautam Adani has over 36 years of business experience. Under his leadership, the Adani Group has emerged as a global integrated infrastructure player with interests across resources, logistics and energy verticals. His journey has been marked by his ambitious and entrepreneurial

vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones, but also resulted in the creation of a robust business model, which contributes to building sound infrastructure in India.



## Mr. Rajesh Adani

Non-Independent and Non-Executive Director

Mr. Rajesh Adani has been associated with Adani Group since its inception. He is in-charge of the operations of the Group and is responsible for developing its business relationships. His proactive,

personalised approach to the business and competitive spirit fuels the Group's growth and enables its branching out into various businesses.



## Mr. Karan Adani

Whole-Time Director & CEO

Mr. Karan Adani holds a degree in economics from Purdue University, USA. He started his career by learning about the intricacies of port operations at Mundra. Having gained experience across levels of our operations since 2009, he is responsible for the strategic development of the Adani Group and

oversees its day-to-day operations. He aims to build the Adani Group identity around an integrated business model, backed by his sound understanding of new processes, systems, macro-economic issues and growing experience.

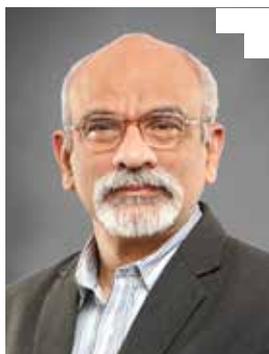


## Dr. Malay Mahadevia

Non-Independent and Non-Executive Director

Dr. Malay Mahadevia holds a master's degree in dental surgery from Nair Hospital Dental College. He completed his Doctor of Philosophy in coastal ecology around Mundra area, Kutch District, from the Gujarat University in

2008. He is working with the Company since 1992 and has contributed to the development of the Mundra Port since its conceptualisation. He is also a member of the Gujarat Chamber of Commerce and Industry.



### **Prof. Ganesan Raghuram**

Independent and Non-Executive Director

Prof. Ganesan Raghuram holds a bachelor's degree in technology from the Indian Institute of Technology, Madras and a post graduate diploma in management from the Indian Institute of Management (IIM), Ahmedabad and a doctorate in philosophy from Northwestern University, USA. He is currently the Principal Academic Advisor of the National Rail and Transportation Institute, and Professor (Emeritus) at the Gujarat Maritime University.

He was earlier Director of the Indian Institute of Management, Bangalore, until his superannuation in July 2020. Prior to taking over as director of IIM

Bangalore, he was a professor and chairperson of the Public Systems Group at IIMA. He has also been the Dean (Faculty) of IIMA, Vice-Chancellor of the Indian Maritime University and Indian Railways Chair Professor at IIMA. He specialises in infrastructure and transport systems, logistics and supply chain management.

He is a fellow of the Operational Research Society of India and Chartered Institute of Logistics and Transport. He has teaching experience at universities in India, USA, Canada, Yugoslavia, Singapore, Tanzania, UAE and Japan.



### **Mr. Gopal Krishna Pillai**

Independent and Non-Executive Director

Mr. G. K. Pillai is a distinguished alumnus of IIT Madras. He retired from the IAS as Union Home Secretary in 2011. While working for the State Government of Kerala, he held various positions, including that of District Collector, Quilon, Special Secretary Industries, Secretary Health and Principal Secretary to the Chief

Minister. For the Government of India, he worked in the ministries of Defence, Surface Transport, Home and Commerce. He was the Chairman of Board of Approvals for SEZ, chief negotiator for India at the WTO and Secretary Commerce, Government of India.



### **Mrs. Avantika Singh Aulakh, IAS**

Non-Independent and Non-Executive Director

Mrs. Avantika Singh, an IAS officer of the 2003 batch, has been appointed Vice Chairman and Chief Executive Officer (VC & CEO) of the Gujarat Maritime Board. With about 17 years of service in Public Administration, Mrs. Singh brings to this position leadership honed by working in different key departments of the State Government. A Bachelor of Engineering in Instrumentation & Control & Mid-Career Masters in Public Administration, Harvard Kennedy School, Mrs Singh

started her career in Civil Services as a Sub Divisional Officer (SDO) in Assam. She served as Commissioner, Technical Education and Collector – Ahmedabad. She has worked in Anand, Bharuch and Vadodara as a Collector, as a District Development Officer (DDO) in Gandhinagar and Anand, and as Deputy Secretary – Energy and Petrochemicals Department, Government of Gujarat, earlier in her career. Over the years she has been honoured with prestigious awards and recognitions.



### Mr. Bharat Sheth

Independent and Non-Executive Director

Mr. Bharat K. Sheth obtained his Bachelor of Science in Economics from St. Andrews University, Scotland. He is Deputy Chairman and Managing Director of The Great Eastern Shipping Company Limited, one of India's premier shipping enterprises. Born in 1958 to India's first family of shipping entrepreneurs, Mr. Sheth joined the industry in 1981. In the initial years of his career, he worked in The Great Eastern Shipping Company, gaining hands-on experience in the business. He was inducted into the Company's Board as an Executive Director in 1989 and became Managing Director in 1999. In August 2005, he was appointed

Deputy Chairman & Managing Director. Mr. Sheth was inducted on the Board of Directors of North of England P&I Association Limited in October 2005 and on the Board of Steamship Mutual Association (Bermuda) Limited in February 2006. He is on the Board of Indian National Shipowners Association and International Tanker Owners Pollution Federation Limited. The Company is now an esteemed global shipping company through his ability of timing the markets. Under his active leadership, Great Eastern navigated tumultuous cycles across the last two decades.



### Ms. Nirupama Rao

Independent and Non-Executive Director

Ms. Nirupama Rao is a postgraduate in English Literature. She was also a Fellow at Harvard University, Brown University, University of California at San Diego and a recipient of the degree of Doctor of Letters (Honoris Causa) from the Pondicherry University. She was conferred with the Vanitha Ratna by the Government of Kerala in 2016. Ms. Rao is currently a Global Fellow of The Wilson Center in Washington D.C. and a member of the Board of the US India Business Council (USIBC). A career diplomat from the Indian Foreign Service from 1973 to 2011,

she served the Government of India in several important positions, including that of the Foreign Secretary of India. She has represented India in several countries during her career and was the first Indian woman to be appointed High Commissioner to Sri Lanka and Ambassador to China. She was also the first woman spokesperson of the Ministry of External Affairs. After her retirement, she was appointed as the Ambassador of India to the United States for a tenure of two years from 2011 to 2013.



### Mr. P S Jayakumar

Independent and Non-Executive Director

Mr. P. S. Jayakumar is a Chartered Accountant and holds a Post Graduate Diploma in Business Management from XLRI Jamshedpur. Mr. Jayakumar worked for 23 years in Citibank (India and Singapore offices) and his last assignment in Citibank was as Country Head for the Consumer Banking Group. In 2015, Mr. Jayakumar was selected by the Government of India to serve as the Managing Director and CEO for Bank of

Baroda, the first person from the private sector to run a large public sector bank. He led a successful transformation of Bank of Baroda and completed three-way merger between Bank of Baroda, Vijaya Bank and Dena Bank. Mr. Jayakumar possesses a rich experience in the banking and financial sectors

Board experience											
Name of Director	GICS Level 1 sectors experience/expertise										
	Energy	Materials	Industrials	Consumer Discretionary	Consumer Staples	Healthcare	Financials	Information Technology	Communication Services	Utilities	Real estate
Mr. Gautam S. Adani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rajesh S. Adani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Karan Adani	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Dr. Malay Mahadevia	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Mrs. Avantika Singh Aulakh, IAS	✓	✓	✓							✓	
Prof. G. Raghuram	✓			✓	✓			✓	✓	✓	
Mr. G. K. Pillai	✓	✓	✓	✓	✓	✓		✓		✓	
Mr. Bharat Sheth	✓	✓	✓				✓	✓			
Mrs. Nirupama Rao	✓	✓	✓	✓	✓		✓	✓	✓		
Mr. P. S. Jayakumar			✓				✓	✓			✓

**Note:** The aforesaid skill sets are Global Industry Classification Standard and are different from skillsets mentioned in Corporate Governance Report

### Minimum basic requirement for Independent Directors

The Independent Directors meet the requirements of the Companies Act, 2013 read with Rules made there under and SEBI Listing Regulations as amended from time to time, currently, some of the conditionalities included are;

1. The Director must not have been employed by the Company in an executive capacity within the last year.
2. The Director must not accept or have a "Family Member who accepts any payments from the Company or any parent or subsidiary of the Company amounting to two per cent or more of its gross turnover or

total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year.

3. The director must not be a "Family Member of an individual who is employed by the Company or by any parent or subsidiary of the Company as an executive officer".
4. The Director must not be (and must not be affiliated with a company that is) an adviser or consultant to the Company or a member of the Company's senior management.
5. The Director must not be affiliated with a material supplier,

service provider or customer or a lessor or lessee of the Company.

6. The Director must have no material pecuniary relationship with the Company or a member of the Company's senior management, apart from receiving Director's remuneration.
7. The Director must not be affiliated with a not-for-profit entity that receives significant contributions from the Company.
8. The Director must not have been an employee or proprietor or a partner, of the Company's outside auditor and during the past year.
9. Is a person of integrity and possesses relevant expertise and experience, in the opinion of the Board of Directors.

## Conversion factors

<b>Grid power</b>	Emission factor (tCO <sub>2</sub> /MWh)	0.79	1
	Conversion factor (kWh to GJ)	0.0036	2
<b>Diesel</b>	Net calorific value (TJ/Gg)	43	3
	Density (Kg/L)	0.8325	4
	Conversion factor (L to GJ)	0.03579	6
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	74100	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	3.9	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	3.9	7
<b>Petrol</b>	Net calorific value (TJ/Gg)	44.3	3
	Density (Kg/L)	0.7475	5
	Conversion factor (L to GJ)	0.03311	6
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	69300	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	33	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	3.2	7
<b>Furnace oil</b>	Net calorific value (TJ/Gg)	40.4	3
	Density (Kg/L)	0.95	8
	Conversion factor (L to GJ)	0.03838	6
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	77400	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	7	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	2	7
<b>Heavy fuel oil</b>	Net calorific value (TJ/Gg)	40.4	3
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	77400	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	7	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	2	7
<b>Jet kerosene</b>	Net calorific value (TJ/Gg)	44.1	3
	Density (Kg/L)	0.789	9
	Conversion factor (L to GJ)	0.03479	6
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	71500	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	0.5	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	2	7
<b>Acetylene</b>	Conversion factor (m <sup>3</sup> to Kg)	1.1	10
	Net calorific value (GJ/Kg)	0.0499	10
	Emission factor (Kg CO <sub>2</sub> e/Kg)	3.39	10
<b>PNG</b>	Emission factor (Kg CO <sub>2</sub> e/MMBTU)	53.06	11
<b>LPG</b>	Net calorific value (TJ/Gg)	47.3	3
	CO <sub>2</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	63100	3
	CH <sub>4</sub> emission factor (Kg CO <sub>2</sub> e/TJ)	1	7
	N <sub>2</sub> O emission factor (Kg CO <sub>2</sub> e/TJ)	0.1	7
<b>R22</b>	Global warming potential	1810	12
<b>R134a</b>	Global warming potential	1430	12
<b>R407c</b>	Global warming potential	1774	11
<b>R410</b>	Global warming potential	2088	11
<b>Air travel</b>	tCO <sub>2</sub> e./Pax-Km	0.000121	13
<b>Rail travel</b>	tCO <sub>2</sub> e./Pax-Km	0.00000795	14
<b>Rail transport</b>	tCO <sub>2</sub> e./Ton-Km	0.000009504	14
<b>T &amp; D losses</b>	T & D Losses percentage	20.66%	15
<b>Methane</b>	Global warming potential	28	12
<b>N2O</b>	Global warming potential	265	12

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	<ul style="list-style-type: none"> <li>• Environment &amp; Sustainability team members at Head Office and Sites are trained on Biodiversity &amp; ecosystem services aspects viz. Indian and Global Biodiversity Standards, legal requirements, biodiversity impact assessment, and management plans, through institutes of repute in the field such as IUCN India, Environment Management Centre, EY, NEERI, ERM India etc.</li> <li>• APSEZ has conducted Capacity Building Session on ESG in partnership with EY for all the employees with more than 600 participants.</li> <li>• Training and awareness on Biodiversity &amp; Ecosystem Services is also covered as part of Company's biannual "Environment Shikhar" program for all the Environment and Sustainability professional of the Company.</li> </ul>		
2.2	Percentage of employees within organisation who have been sensitised on biodiversity	<ul style="list-style-type: none"> <li>• APSEZ has conducted Capacity Building Session on ESG covering Biodiversity and Land use aspects in partnership with EY for all the employees with more than 600 participants</li> <li>• Through IUCN - Leaders for Nature, we organised three days biodiversity sensitisation programs that were open for all the employees.</li> </ul>	
2.3	Activities undertaken to create greater awareness on biodiversity among employees	Biodiversity and Land Use (Training & Awareness) 178	
	<p>Other activities include.</p> <ul style="list-style-type: none"> <li>• Training and capacity Building Session (Classroom, virtual,)</li> <li>• Celebration of important days such as World Environment Day, Wildlife Week, World Ocean Day, Biodiversity Day, World Wetland Day etc</li> <li>• Plantation drives</li> <li>• Seminars, lectures, webinars, workshops awareness sessions</li> <li>• Video screening</li> </ul>		

Indicator	Chapter Name	Page No.
<b>3</b>	<b>Assessing biodiversity risks and opportunities</b>	
3.1	Assessment of impacts and dependencies with regard to biodiversity and ecosystem services	Biodiversity and Land Use (Biodiversity Impact Assessment) 177
3.2	Assessment of risks and opportunities with regard to biodiversity and ecosystem services	1. BRSR (24. Overview of the entity's material responsible business conduct issues) 359 2. How we have created a pro-gressively de-risked operating model ensuring business sus-tainability 124
<b>4</b>	<b>Considering the impacts of business decisions on biodiversity</b>	
4.1	Organisation-wide policy that addresses biodiversity and ecosystem services	1. Building a Sustainable Future (Guiding Principles) 143, 149 2.Environment Stewardship (APSEZ's Environment Policy) Biodiversity & related aspects has been covered as part of Environment Policy. In addition, Company has developed Corporate level guidelines for Biodiversity Management and has also developed framework for Biodiversity & Land use aligned with IFC PS6
<b>5</b>	<b>Setting objectives and targets for biodiversity management</b>	
5.1	Strategy for biodiversity and ecosystem management	Biodiversity and Land Use (Ambition, Indicator) Goals & Targets 147, 177
5.2	Action Plan to avoid, minimise, rehabilitate and offset biodiversity impacts	Biodiversity and Land Use (Ambition, Management of Biodiversity impacts, Goals & Target, Case Studies) 177
<b>6</b>	<b>Designating an individual within the organisation as biodiversity champion</b>	
6.1	Name, title and contact details of design-ated biodiversity champion	Mr. Charanjit Singh, Head – ESG & IR – APSEZ has been entrusted as Biodiversity Champion at Corporate level
<b>7</b>	<b>Including the applicable biodiversity aspects in the environmental management systems</b>	
7.1	Inclusion of biodiversity aspects in environmental management system	Social & Environmental Due diligence- Biodiversity and Land Use (Biodiversity Management Plan) 121, 178
<b>8</b>	<b>Encouraging relevant stakeholders to support better biodiversity management</b>	
8.1	Activities undertaken for/with suppliers	How we secured our supply chain leading to a consistent customer experience 187
8.2	Activities undertaken for/with customers and consumers	Engaging Customers in our Green Initiative 184
8.3	Activities for/with other internal and external stakeholders, if any	Biodiversity and Land Use 177
<b>9</b>	<b>Engaging in policy advocacy and dialogue with Government, NGOs and academia on biodiversity concerns</b>	
9.1	Engagement through various platforms (e.g. sharing of best practice, research partner, sponsor)	Biodiversity and Land Use (Case Study-2, 3, 4) 179

Indicator		Chapter Name	Page No.
9.2	Participation in policy advocacy at International, national or local level	APSEZ regularly engages with regulatory authorities on matters related to Biodiversity directly and through Industrial Associations/bodies. APSEZ also does policy advocacy through IUCN Leaders for Nature (India), CII, FICCI etc. Head -ESG and team member also engages in policy dialogue as part of various Industrial, academic and NGO/CSO dialogues on Biodiversity matters at International, national or local level.	
<b>10</b>	<b>Initiating the valuation of relevant biodiversity and ecosystem services</b>		
10.1	Valuation of impacts (positive and negative) and dependencies (direct and indirect)	Building a Sustainable Future (Natural Capital)	146

### Mapping with Commitments to CEO Water Mandate

Mandate and its pledges	Chapter Name	Page No.
<b>Direct operations</b>		
Company pledges to conduct a comprehensive water-use assessment to understand the extent to which the Company uses water in the direct production of goods and services.	Water Stewardship	168
The Company pledges to set targets for their operations related to water conservation and waste-water treatment, framed in a corporate cleaner production and consumption strategy.	ESG Targets and performance Water Stewardship	147, 168
The Company pledges to invest in and use new technologies to achieve these goals.	Water Stewardship	168
The Company pledges to raise awareness of water sustainability within corporate culture.	Water Stewardship (Water Strategy, Focus Area)	168
The Company pledges to include water sustainability considerations in business decision making – e.g., facility-siting, due diligence, and production processes.	Water Stewardship Water Stewardship Policy	168
<b>Supply chain and watershed management</b>		
The Company pledges to encourage suppliers to improve their water conservation, quality monitoring, waste-water treatment, and recycling practices.	How we secured our Supply Chain Section	187
	Stakeholder Engagement	110
	APSEZ believes that the development of its suppliers is imperative for its business growth. Therefore, the company is committed to working with suppliers to inculcate APSEZ's Sustainable Procurement policy wherein supplier have been encouraged to continually improve the environmental performance by setting objectives, targets, and processes for efficient use of natural resources, energy, water amongst other.  All the suppliers also need to adhere with our Supplier Code of Conduct, which covers adherence with APSEZ's Environment Policy.	

Mandate and its pledges	Chapter Name	Page No.
The Company pledges to build capacities to analyse and respond to watershed risk	Water Stewardship	168
The Company pledges to encourage and facilitate suppliers in conducting assessments of water usage and impacts.	How we secured our Supply Chain Section	187
	APSEZ believes that the development of its suppliers is imperative for its business growth. Therefore, the Company is committed to working with suppliers to inculcate APSEZ's Sustainable Procurement policy wherein supplier have been encouraged to continually improve the environmental performance by setting objectives, targets, and processes for efficient use of natural resources, energy, water amongst other.	
	All the suppliers also need to adhere with our Supplier Code of Conduct, which covers adherence with APSEZ's Environment Policy	
The Company pledges to share water sustainability practices – established and emerging – with suppliers.	Water Stewardship APSEZ's Sustainable Procurement Policy & Supplier Code of Conduct	168
	APSEZ believes that the development of its suppliers is imperative for its business growth. Therefore, the company is committed to working with suppliers to inculcate APSEZ's Sustainable Procurement policy wherein supplier have been encouraged to continually improve the environmental performance by setting objectives, targets, and processes for efficient use of natural resources, energy, water amongst other.	
The Company pledges to encourage major suppliers to report regularly on progress achieved related to goals.	Water Stewardship APSEZ's Sustainable Procurement Policy & Supplier Code of Conduct	168
<b>Collective action</b>		
The Company pledges to build closer ties with civil society organisations, especially at the regional and local levels.	Corporate Social Responsibility	220-235
	Water Stewardship	168
The Company pledges to work with national, regional and local governments and public authorities to address water sustainability issues and policies, as well as with relevant international institutions – e.g., the UNEP Global Programme of Action	Water Stewardship	168
The Company pledges to encourage development and use of new technologies, including efficient irrigation methods, new plant varieties, drought resistance, water efficiency and salt tolerance.	Water Stewardship	168
The Company pledges to be actively involved in the UN Global Compact's Country Networks.	Water Stewardship	168

Mandate and its pledges	Chapter Name	Page No.
Company pledges to support the work of existing water initiatives involving the private sector – e.g., the Global Water Challenge; UNICEF's Water, Environment and Sanitation Program; IFRC Water and Sanitation Program; the World Economic Forum Water Initiative – and collaborate with other relevant UN bodies and intergovernmental organisations – e.g. the World Health Organisation, the Organisation for Economic Co-operation and Development, and the World Bank Group.	Water Stewardship	122, 168
<b>Public policy</b>		
The Company pledges to contribute inputs and recommendations in the formulation of government regulation and in the creation of market mechanisms in ways that drive the water sustainability agenda.	Advocacy and leadership	114
The Company pledges to exercise 'business statesmanship' by being advocates for water sustainability in global and local policy discussions, clearly presenting the role and responsibility of the private sector in supporting integrated water resource management.	Advocacy and leadership Water Stewardship	114 168
The Company pledges to partner with governments, businesses, civil society and other stakeholders – for example specialised institutes such as the Stockholm International Water Institute, UNEP Collaborating Centre on Water and Environment, and UNESCO's Institute for Water Education – to advance the body of knowledge, intelligence and tools.	Advocacy and leadership Water Stewardship	114 168
The Company pledges to join and/or support special policy- oriented bodies and associated frameworks – e.g., UNEP's Water Policy and Strategy; UNDP's Water Governance Programme.	Advocacy and leadership Water Stewardship	114 168
<b>Community engagement</b>		
The Company pledges to endeavor to understand the water and sanitation challenges in the communities where we operate and how our businesses impact those challenges.	Corporate Social Responsibility	220
The Company pledges to be active members of the local community, and encourage or provide support to local government, groups and initiatives seeking to advance the water and sanitation agendas.	Corporate Social Responsibility	220
The Company pledges to undertake water-resource education and awareness campaigns in partnership with local stakeholders.	Corporate Social Responsibility	220
The Company pledges to work with public authorities and their agents to support – when appropriate – the development of adequate water infrastructure, including water and sanitation delivery systems.	Corporate Social Responsibility	220
<b>Transparency</b>		
The Company pledges to include a description of actions and investments undertaken in relation to The CEO Water Mandate in our annual communications on progress for the UN Global Compact, making reference to relevant performance indicators such as the water indicators found in the Global Reporting Initiative (GRI) Guidelines.	Water Stewardship	168
The Company pledges to publish and share our water strategies (including targets and results as well as areas for improvement) in relevant corporate reports, using – where appropriate – the water indicators found in the GRI Guidelines.	Water Stewardship ESG Targets and performance	168 147
The Company pledges to be transparent in dealings and conversations with governments and other public authorities on water issues.	Water Stewardship Compliance Management	168 152



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## Independent Assurance Statement

### The Management and Board of Directors

Adani Ports and Special Economic Zone Limited,  
Ahmedabad, India

### Scope

We have been engaged by Adani Ports and Special Economic Zone Limited to perform a 'Reasonable assurance engagement for Environmental indicators and Limited assurance engagement for social indicators,' as defined by International Standards on Assurance Engagements 3000 (ISAE 3000), hereafter referred to as the engagement, to report on Adani Ports and Special Economic Zone Limited Integrated Report FY 22 (the "Subject Matter") for the period from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion and conclusion on this information.

### Criteria applied by Adani Ports and Special Economic Zone Limited

In preparing the integrated report, Adani Ports and Special Economic Zone Limited applied, The International Integrated Reporting Council (IIRC framework), and Global Reporting Initiative (GRI) Standards, in accordance with Core (Criteria). GRI Standards - Core Criteria were specifically designed for Integrated Report FY 22; As a result, the subject matter information may not be suitable for another purpose.

### Adani Ports and Special Economic Zone's responsibilities

Adani Ports and Special Economic Zone's management is responsible for selecting the Criteria, and for presenting the Integrated Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### EY's responsibilities

Our responsibility is to express an opinion on environmental indicators and a conclusion on social indicators on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with Adani Ports and Special Economic Zone Limited on 30 December 2020. Those standards require that we plan and perform our engagement to obtain reasonable assurance on environment indicators and limited assurance on social indicators about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion for environmental indicators and limited assurance conclusion for social indicators.



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## Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### Description of procedures performed

Our procedures included:

- Conducted interviews with select personnel at sites and corporate teams to understand the process for collecting, collating and reporting the subject matter as per Global Reporting Initiative (GRI) Standards listed below:
  - Environmental Indicators: Energy (302-1, 302-2, 302-3, 302-4), Water (303-3,303-4, 303-5), Emissions (305-1, 305-2, 305-3 (Category 3,4,5,6,7,9,13,15), 305-4, 305-5, 305-6), Waste (306-4, 306-5);
  - Social Indicators: Employment (401-1), Occupational Health and Safety (403-5, 403-9), Training and Education (404-1), Local Community (413-1).
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria;
- Undertook analytical review procedures to support the reasonableness of the data, Remote verification of data, on a selective test basis, for the following sites, through consultations with the site team and sustainability team;
  - Adani Murmugao Port Terminal Pvt. Ltd.
  - Adani Kattupalli Port Ltd.
  - Marine Infrastructure Developer Pvt. Ltd.
  - Adani Ennore Container Terminal Pvt. Ltd.
  - The Dhamra Port Company Ltd.
  - Adani Kandla Bulk Terminal Pvt. Ltd.
  - Adani Hazira Port Ltd.
  - Adani Petronet (Dahej) Port Pvt. Ltd.
  - Adani Ports and Special Economic Zone Ltd.
  - Adani Krishnapatnam Port Limited
  - Adani Krishnapatnam Container Terminal Private Limited
  - Adani International Container Terminal Pvt. Ltd
  - Adani Logistics Services Pvt. Ltd.
  - Adani CMA Mundra Terminal Pvt. Ltd.
  - Adani Logistics Ltd.
  - Adani Warehousing Services Pvt. Ltd.
  - Adani Agri Logistics Ltd.
  - Adani Agri Logistics (MP) Ltd.
  - Adani Agri Logistics (Harda) Ltd.
  - Adani Agri Logistics (Hoshangabad) Ltd.
  - Adani Agri Logistics (Satna) Ltd.
  - Adani Agri Logistics (Ujjain) Ltd.
  - Adani Agri Logistics (Dewas) Ltd.
  - Adani Agri Logistics (Kotkapura) Ltd.
  - The Adani Harbour Services Ltd.
  - Shanti Sagar International Dredging Ltd.
  - Karnavati Aviation Pvt. Ltd.
  - Mundra International Airport Pvt. Ltd.
  - Adani Hospital Mundra Pvt. Ltd.
  - Mundra SEZ Textile and Apparel Park Pvt. Ltd



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- Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed.
- Review of the Company's plans, policies and practices, pertaining to their social, environment and sustainable development, so as to be able to make comments on the fairness of Integrated Report.
- Review of the Company's approach towards materiality assessment disclosed in the Report to identify relevant issues.
- Review of select qualitative statements in various sections of the integrated report.

We also performed such other procedures as we considered necessary in the circumstances

#### Emphasis of matter

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2021 to 31st March 2022)
- Data and information on economic and financial performance of the Company
- Data, statements and claims already available in the public domain through Integrated Annual Report, or other sources available in the public domain
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention provided by the Company
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters

**Opinion on Environmental indicators:** In our opinion, the environmental indicators reported in Integrated Report FY 22 for the period from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022 is presented, in all material respects, in accordance with {or based on} GRI Standards – Core and The International Integrated Reporting Council (IIRC) criteria.

**Conclusion on Social indicators:** Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to reported 'social indicators' in Integrated Report FY 22 for the period from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, in order for it to be in accordance with the GRI Standards – Core and The International Integrated Reporting Council (IIRC) criteria.

**Restricted use:** This report is intended solely for the information and use of Adani Ports and Special Economic Zones Limited and is not intended to be and should not be used by anyone other than Adani Ports and Special Economic Zone Limited

For and on behalf of Ernst & Young Associates LLP

Shailesh Tyagi  
22<sup>nd</sup> June 2022  
Mumbai, India

# Corporate Information

## Board of Directors

Mr. Gautam S. Adani,  
Chairman & Managing Director

Mr. Rajesh S. Adani,  
Director

Dr. Malay Mahadevia,  
Director

Mr. Karan Adani,  
Whole Time Director & CEO

Mrs. Avantika Singh Aulakh, IAS,  
Director

Mrs. Nirupama Rao,  
Independent Director

Prof. G. Raghuram,  
Independent Director

Mr. G. K. Pillai,  
Independent Director

Mr. P. S. Jayakumar,  
Independent Director

Mr. Bharat Sheth,  
Independent Director

## Company Secretary

Mr. Kamlesh Bhagia

## Auditors

M/s Deloitte Haskins & Sells LLP  
Chartered Accountants,  
Ahmedabad

## Registered Office

Adani Corporate House, Shantigram,  
Near Vaishno Devi Circle,  
S. G. Highway, Khodiyar,  
Ahmedabad - 382 421  
CIN - L63090GJ1998PLC034182  
www.adaniports.com

## Committees

### Audit Committee

Mr. G. K. Pillai, Chairman

Prof. G. Raghuram, Member  
Mr. P. S. Jayakumar, Member  
Mrs. Nirupama Rao, Member

### Nomination & Remuneration Committee

Mr. P. S. Jayakumar, Chairman  
Mr. G. K. Pillai, Member  
Mrs. Nirupama Rao, Member

### Stakeholders Relationship Committee

Prof. G. Raghuram, Chairman  
Mr. G. K. Pillai, Member  
Mr. Karan Adani, Member

### Corporate Social Responsibility Committee

Mrs. Nirupama Rao, Chairperson  
Mr. G. K. Pillai, Member  
Prof. G. Raghuram, Member  
Dr. Malay Mahadevia, Member

### Risk Management Committee

Mr. G. K. Pillai, Chairman  
Mr. Bharat Sheth, Member  
Dr. Malay Mahadevia, Member

### Corporate Responsibility Committee

Prof. G. Raghuram, Chairman  
Mr. G. K. Pillai, Member  
Mr. P. S. Jayakumar, Member

### Information Technology & Data Security Committee

Mrs. Nirupama Rao, Chairperson  
Prof. G. Raghuram, Member  
Mr. G. K. Pillai, Member

### Mergers & Acquisitions Committee

Mr. P. S. Jayakumar, Chairman  
Mr. G. K. Pillai, Member  
Mrs. Karan Adani, Member

## Legal, Regulatory & Tax Committee

Prof. G. Raghuram, Chairman  
Mr. P. S. Jayakumar, Member  
Mr. Karan Adani, Member

## Reputation Risk Committee

Mr. Bharat Sheth, Chairman  
Mrs. Nirupama Rao, Member  
Mr. Karan Adani, Member

## Registrar and Transfer Agent

M/s. Link Intime India Private Limited  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai-400083  
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## Bankers and Financial Institutions

Axis Bank Ltd.  
Bank of America N.A.  
Barclays Bank PLC  
Citibank N.A.  
DZ Bank AG  
Export-Import Bank of India  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IDFC First Bank Ltd.  
IndusInd Bank Ltd.  
Kotak Mahindra Bank Ltd.  
Mizuho Bank Ltd.  
State Bank of India  
JP Morgan Chase Bank, N.A.  
Yes Bank Ltd.  
Sumitomo Mitsui Banking Corporation  
MUFG Bank Ltd.  
Bank of Baroda

## IMPORTANT COMMUNICATION TO SHAREHOLDERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its shareholders. To support this green initiative of the Government in full, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses and in case of shareholders holding shares in demat, with depository through concerned Depository Participants.

# Directors' report

*Dear Shareowners,*

Your Directors are pleased to present the 23<sup>rd</sup> Annual Report along with the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2022.

## Financial Performance

The Audited Financial Statements of the Company as on 31<sup>st</sup> March, 2022, are prepared in accordance with the relevant applicable Ind AS and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below:

(₹ In crore)

Particulars	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	15,934.03	12,549.60	4,206.22	4,377.15
Other Income	2,154.78	1,970.23	2,519.31	2,266.31
<b>Total Income</b>	<b>18,088.81</b>	<b>14,519.83</b>	<b>6,725.53</b>	<b>6,643.46</b>
Expenditure other than Depreciation and Finance cost	6,183.03	4,566.16	1,503.28	1,506.27
Depreciation and Amortisation Expenses	2,739.63	2,107.34	599.61	619.18
Foreign Exchange (Gain) / Loss (net)	872.07	(715.24)	895.42	(718.48)
Finance Cost				
- Interest and Bank Charges	2,556.27	2,129.16	2,509.36	2,201.15
- Derivative (Gain)/Loss (net)	(15.69)	126.13	(15.70)	125.70
<b>Total Expenditure</b>	<b>12,335.31</b>	<b>8,213.55</b>	<b>5,491.97</b>	<b>3,733.82</b>
Profit before share of Profit/ (Loss) from joint ventures, exceptional items and tax	5,753.50	6,306.28	1,233.56	2,909.64
Share of loss from joint ventures	192.85	(14.27)	-	-
Profit before exceptional items and tax	5,946.35	6,292.01	1,233.56	2,909.64
Add/(Less): Exceptional Items	(405.19)	-	(611.83)	-
Total Tax Expense	745.92	1,243.27	324.17	981.71
Profit for the year	4,795.24	5,048.74	297.56	1,927.93
Other Comprehensive income (net of tax)	(74.00)	(15.92)	7.78	8.18
<b>Total Comprehensive Income for the year (net of tax)</b>	<b>4,721.24</b>	<b>5,032.82</b>	<b>305.34</b>	<b>1,936.11</b>
Attributable to:				
Equity holders of the parent	4,652.48	4,978.82	-	-
Non-controlling interests	68.76	54.00	-	-

1. There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this report.
2. Previous year figures have been regrouped/re-arranged wherever necessary.

## Performance Highlights

Your Company handled record cargo throughput of 312 MMT in FY 2021-22 (FY22). Mundra Port continues to rank 1<sup>st</sup> in terms of total cargo handling and 2<sup>nd</sup> in terms of container cargo handling during the year under review.

The key aspects of your Company's consolidated performance during the FY22 are as follows:

- Highest ever cargo of 312 MMT, which is a growth of 26% year on year (YoY). All-time high handling of containers, coking coal, edible oil, chemicals, crude, POL and steel.
- Accelerated growth for incremental 100 MMT of cargo throughput by achieving it in just 3 years, while the previous 100 MMT was achieved in 5 years and the initial 100 MMT was achieved in 14 years.
- Record Container Volume of 8.2 million twenty-foot equivalent units (TEUs), which is a growth of 14% YoY. For the FY22, the dry cargo share is at 50.5%, container at 38%, liquid including crude at 11% and gas at 0.5%
- Operating ports portfolio expanded to 12 ports with addition of Gangavaram. FY22 has seen a life-time record performance for Mundra, Dhamra, Ennore, Tuna, and Hazira.
- The cargo volume share of non-Mundra ports jumps to 52% from 42% last year. Also, the cargo volume share of east coast ports increased to 38% from 26% last year.
- Consolidated Revenue from operations stood at ₹15,934.03 crore in FY22.
- Consolidated profit after tax for the FY22 stood at ₹4,795.24 crore.

### Mundra Port:

- Reached a distinct milestone of crossing 150 MMT of cargo volume in a year, which is the highest among all ports in India.
- Reinforced its premier container terminal position in India by handling 6.5 million TEUs, a growth of 15% YOY.
- Handled record 18,789 trains, a growth of 19% YoY, implying an improved rail co-efficient and environment friendly operations with lower carbon footprint.

### Logistics:

- Highest ever rail volumes of 403,000 TEUs, a growth of 29% YoY.

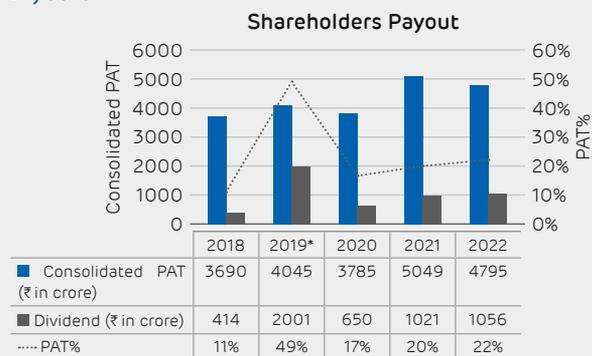
- Added 14 new rakes taking the total count to 75 rakes.
- Bulk rake movement (under GPWIS) has witnessed strong growth with 8.7 MMT of cargo transported, which is a growth of 98% YoY.
- Six Multi-Modal Logistics Park (MMLP) are now operational, including the new MMLP at Nagpur and resumption of operations at Kilaraipur (Ludhiana). Construction also commenced at three more MMLPs namely Virochannagar, Taloja and Panipat.
- Adani Agri Logistics commenced development of five new projects adding a total of 250,000 MT, a growth of 28% to its overall capacity.

The detailed operational performance of the Company has been comprehensively discussed in the Management Discussion and Analysis section which forms part of this Integrated Annual Report.

## Dividend

Your Directors have recommended a dividend of 250% (₹5) per Equity Share of ₹2 each and 0.01% dividend on 0.01% Non-Cumulative Redeemable Preference Shares of ₹10 each for the FY22. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹1,056 crore.

### The details of shareholders payout during the last 5 years



\*Includes buyback amount of ₹1960 crore.

The Dividend Distribution and Shareholder Return Policy, in terms of Regulation 43A of the SEBI Listing Regulations is available on the Company's website on <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Dividend-Distribution-and-Shareholder-Return-Policy.pdf>.

## Transfer to Reserves

There is no amount proposed to be transferred to the Reserves. The closing balance of the retained earnings of the Company for FY22, after all appropriations and adjustments was ₹16,279.96 crore.

## Senior Unsecured Notes ('Notes') Issuance - Rule 144A/Regulation S Offerings

During the year under review, your Company has raised USD 750 million of dual tranche 10.5 year and 20 year Senior Unsecured Notes in global capital markets pursuant to Regulation S and Rule 144A of the U.S. Securities Act.

These Notes are rated Baa3 by Moody's, BBB- by S&P and BBB- by Fitch.

## Status of Scheme of Arrangement

### A) Sarguja Rail Corridor

During the year under review, Hon'ble National Company Law Tribunal, Ahmedabad ("NCLT") vide its order dated 27<sup>th</sup> January, 2022 sanctioned the Composite Scheme of Arrangement between Adani Ports and Special Economic Zone Ltd. ("Company"/"APSEZ") and Brahmi Tracks Management Services Pvt. Ltd ("Brahmi") and Adani Tracks Management Services Pvt. Ltd ("Adani Tracks") and Sarguja Rail Corridor Pvt. Ltd ("Sarguja") and their respective shareholders and creditors ("Scheme-1") under sections 230 to 232 and other applicable provisions of the Act.

The Scheme-1 was made effective on 17<sup>th</sup> February, 2022 with effect from the Appointed Date i.e. 1<sup>st</sup> April, 2021. Pursuant to the Scheme, the Company has allotted 7,06,21,469 Equity Shares of the face value of ₹2 each fully paid up, to eligible shareholder of Brahmi, in the share exchange ratio, as provided in the Scheme-1.

Accordingly, the equity paid up share capital of the Company stands increased from 204,17,51,761 Equity Shares of ₹2 each to 211,23,73,230 Equity Shares of ₹2 each.

### B) Gangavaram Port

During the year under review, the Board of Directors of the Company ("Board") at its meeting held on 22<sup>nd</sup> September, 2021, approved the Composite Scheme of Arrangement between Gangavaram Port Ltd. ("GPL") and Adani Ports

and Special Economic Zone Ltd. ("Company") and Adani Gangavaram Port Pvt. Ltd. ("AGPPL") and their respective shareholders and creditors (the 'Scheme-2') under sections 230 to 232 and other applicable provisions of the Act, which provides as under -

- a) amalgamation of GPL with the Company with effect from the Appointed Date 1, i.e. 1<sup>st</sup> April, 2021, pursuant to the provisions of Sections 230 - 232 and/or other applicable provisions of the Act and in compliance with Section 2(1B) of the Income Tax Act ("IT Act").
- b) transfer of the Divestment Business Undertaking (as defined in the Scheme -2) as a going concern on a Slump Sale basis, with effect from the Appointed Date 2 i.e. 2<sup>nd</sup> April, 2021, by the Company to AGPPL, for a lump sum consideration, as provided in Scheme-2, pursuant to the provisions of Sections 230 - 232 and/or other applicable provisions of the Act and in accordance with Section 2(42C) of the IT Act.
- c) Various other matters consequential or otherwise integrally connected herewith.

The Scheme-2 has been approved by the shareholders, secured creditors and unsecured creditors of the Company at their meetings held on 14<sup>th</sup> March, 2022, as per direction of Hon'ble NCLT, Ahmedabad.

The Scheme-2 is subject to approval of Hon'ble NCLT, Ahmedabad and Hon'ble NCLT, Hyderabad.

## Changes in Share Capital

Pursuant to approval of Scheme-1 by the Hon'ble NCLT, Ahmedabad, the authorized share capital of the Company has been increased from ₹1,000 crore to ₹1,100 crore.

Further, the equity paid up share capital of the Company stands increased from 204,17,51,761 Equity Shares of ₹2 each to 211,23,73,230 Equity Shares of ₹2 each.

## Fixed Deposits

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of the FY 2021-22 or the previous financial years. Your Company did not accept any deposit during the year under review.

## Non-Convertible Debentures

During the year under review, your Company has issued and allotted 10,000 Rated, Listed, Secured Redeemable Non-Convertible Debentures ("NCDs") of face value of ₹10 lakh each aggregating to ₹1,000 crore on a private placement basis. These NCDs are listed on the Wholesale Debt Market Segment of BSE Ltd.

Further, on 27<sup>th</sup> September, 2021 your Company has redeemed 1,000 NCDs, of face value of ₹10 lakh each which were issued in 2012 on private placement basis.

## Particulars of Loans, Guarantees or Investments

The provisions of Section 186 of the Act, with respect to a loan, guarantee, investment or security is not applicable to the Company, as the Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Act. The particulars of loans, guarantee and investments made during the year under review are disclosed in the financial statements.

## Strategic Acquisition / Divestment

- APSEZ increased its ownership from 75% to 100% in Krishnapatnam Port by acquiring 25% stake from Vishwasamudra Holdings on 8<sup>th</sup> June, 2021.
- APSEZ acquired 31.50% stake in Gangavaram Port Ltd from Windy Lakeside Investment Ltd. on 16<sup>th</sup> April, 2021 and 10.4% stake from Government of Andhra Pradesh on 22<sup>nd</sup> September, 2021.
- Adani Krishnapatnam Port Ltd., wholly owned subsidiary of the Company, acquired 100% stake of Seabird Distriparks (Krishnapatnam) Pvt. Ltd. on 31<sup>st</sup> January, 2022.
- The Adani Harbour Services Ltd., a wholly owned subsidiary of the Company acquired 100% stake of Savijana Sea Foods Pvt. Ltd. and 97.17% stake of Ocean Sparkle Ltd. on 10<sup>th</sup> May, 2022.
- APSEZ divested 100% stake of MPSEZ Utilities Ltd. on 16<sup>th</sup> December, 2021.

## Subsidiaries, Joint Ventures and Associate Companies

A list of bodies corporate which are subsidiaries/ associates/ joint ventures of your Company is provided as part of the notes to consolidated financial statements.

During the year under review, following subsidiaries and joint ventures have been formed/acquired:

- HDC Bulk Terminal Ltd.
- EZR Technologies Pvt. Ltd.
- Adani Gangavaram Port Pvt. Ltd.
- Seabird Distriparks (Krishnapatnam) Pvt. Ltd.
- AYN Logistics Infra Pvt. Ltd.
- Adani International Ports Holdings Pte Ltd., Singapore
- Colombo West International Terminal (Private) Ltd., Sri Lanka

The Adani Harbour Services Ltd., a wholly owned subsidiary of the Company has acquired 100% stake of Savijana Sea Foods Pvt. Ltd. and 97.17% stake of Ocean Sparkle Ltd. on 10<sup>th</sup> May, 2022.

The Company has entered into a binding Share Purchase Agreement (SPA) for sale of its investments in Coastal International Terminals Pte Limited, Singapore, which has investments in Myanmar Project. The management has concluded that the net realizable value is higher than the carrying value. Accordingly, assets and liabilities of this entity which includes: non-current assets (including capital work-in-progress) ₹1,640.30 crore, cash and cash equivalent ₹23.03 crore, other current assets ₹0.80 crore and other current liabilities ₹257.81 crore are classified as held for sale.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, the Company has prepared Consolidated Financial Statements of the Company and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, which forms part of this Integrated Annual Report.

The Annual Financial Statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholders during working hours at the Company's registered office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the audited financial statements, including consolidated financial

statements and related information of the Company and audited accounts of each of its subsidiaries, are available on website of the Company ([www.adaniports.com](http://www.adaniports.com)).

Pursuant to Section 134 of the Act read with rules made thereunder, the details of developments of subsidiaries and joint ventures of the Company are covered in the Management Discussion and Analysis section, which forms part of this Integrated Annual Report.

### Management Discussion and Analysis

The Management Discussion and Analysis for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a section forming part of this Integrated Annual Report.

### Directors and Key Managerial Personnels

As of 31<sup>st</sup> March, 2022, your Company's Board had ten members comprising of two Executive Directors, three Non-Executive and Non-Independent Directors and five Independent Directors. The Board has two Women Directors. The details of Board and Committee composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Integrated Annual Report.

Mr. Gautam S. Adani (DIN: 00006273) has been re-appointed as Chairman and Managing Director for a period of five years w.e.f 1<sup>st</sup> July, 2022, subject to approval of shareholders of the Company, at the ensuing Annual General Meeting ("AGM").

Mr. Karan Adani (DIN: 03088095) has been re-appointed as CEO and Whole Time Director of the Company for a period of five years w.e.f 24<sup>th</sup> May, 2022, subject to the approval of shareholders of the Company, at the ensuing AGM.

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Mr. Rajesh S. Adani (DIN: 00006322) is liable to retire by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

Pursuant to the provisions of Section 149 of the Act, Mr. Bharat Sheth (DIN: 00022102) was appointed as an Independent Director of the Company for a period of three years w.e.f 15<sup>th</sup> October, 2019. The Board, on the recommendation of Nomination and Remuneration Committee and after taking into account the performance evaluation of his first term

and considering the business acumen, knowledge, experience, skills and contribution, have re-appointed him as an Independent Director for a second term of three consecutive years w.e.f 15<sup>th</sup> October, 2022, subject to approval of shareholders at the ensuing AGM. In the opinion of the Board, he possesses requisite expertise, integrity and experience (including proficiency) for re-appointment as an Independent Director of the Company. The terms and conditions of re-appointment of Independent Directors are as per Schedule IV of the Act and SEBI Listing Regulations, and available on Company's website ([www.adaniports.com](http://www.adaniports.com)).

The Board recommends the re-appointment of above Directors for your approval. Brief details of Directors proposed to be appointed/ re-appointed, as required under Regulation 36 of the SEBI Listing Regulations, are provided in the Notice of the AGM.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director.

Pursuant to provision of Section 203 of the Act, Mr. Gautam S. Adani, Chairman & Managing Director, Mr. Karan Adani, CEO & Whole-Time Director and Mr. Kamlesh Bhagia, Company Secretary are Key Managerial Personnels of the Company as on 31<sup>st</sup> March, 2022.

### Committees of Board

During the year under review, with an objective of further strengthen the governance standards so as to match with internationally accepted better practices, the Board had reconstituted certain existing Committees to bring more independence; constituted certain New Committees & Sub-Committees; and amended / adopted the terms of reference of the said committees. Most of the Committees consist of majority of Independent Directors.

Details of various Committees constituted by the Board, including the committees mandated pursuant to the applicable provisions of the Act and SEBI Listing Regulations, are given in the Corporate Governance Report, which forms part of this Integrated Annual Report.

### Number of meetings of the Board

The Board met 8 (eight) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

### Independent Directors' Meeting

The Independent Directors met on 12<sup>th</sup> March, 2022, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole alongwith the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### Board Evaluation and familiarization programme

The Nomination and Remuneration Committee engaged M/s Grant Thornton Bharat LLP, external advisory firm, to facilitate the evaluation and effectiveness process of the Board, its Committees and Individual Directors for the FY 2021-22.

A detailed Board effectiveness assessment questionnaire was developed by advisory firm based on the criteria and framework adopted by the Board. Virtual meetings were organized with the Directors and discussions were held on three key themes i.e. strategic priorities, fit-for-purpose/ capability and focus on Environment, Social and Governance ("ESG").

The results of evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The recommendations arising from the evaluation process were discussed at the Independent Director's meeting held on 12<sup>th</sup> March, 2022, Nomination and Remuneration Committee meeting and Board meeting held on 10<sup>th</sup> May, 2022 and 24<sup>th</sup> May, 2022, respectively. The same were considered by the Board to optimize the effectiveness and functioning of Board and its Committees.

### Policy on Directors' appointment and remuneration

The Company's policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") provided in Section 178(3) of the Act is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

We affirm that the remuneration paid to the directors is as per the terms laid out in the Remuneration Policy.

### Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from the Company, confirm that:

- a. in the preparation of the Annual Financial Statements, the applicable accounting standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. they have taken proper and sufficient care for the 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 fraud and other irregularities;
- d. they have prepared the Annual Financial Statements on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and such internal financial control are adequate and operating effectively;
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Internal Financial control system and their adequacy

The details in respect of internal financial control and their adequacy are included in Management

Discussion and Analysis section, which forms part of this Integrated Annual Report.

## Risk Management

The Board has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further, details are included in the separate section forming part of this Integrated Annual Report.

## Board policies

The details of the policies approved and adopted by the Board as required under the Act and SEBI Listing Regulations are provided in **Annexure-A** to this report.

## Corporate Social Responsibility ("CSR")

The Company has changed the nomenclature of "Sustainability and Corporate Social Responsibility Committee" to "Corporate Social Responsibility Committee" and has approved the revised terms of reference. The brief details of Committee are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report. The CSR policy is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>. The Annual Report on CSR activities is annexed and forms part of this report.

Further, the Chief Executive Officer of the Company has certified that CSR spends of the Company for the FY 2021-22 have been utilized for the purpose and in the manner approved by the Board.

## Corporate Governance Report

The Company is committed to good corporate governance practices. The Corporate Governance Report as stipulated by SEBI Listing Regulations, forms part of this Integrated Annual Report along with the required Certificate from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a

Code of Conduct for all Board members and senior management personnel of the Company (Code of Conduct), who have affirmed the compliance thereto. The Code of Conduct is available on the website of the Company at [https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code\\_of\\_Conduct.pdf](https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code_of_Conduct.pdf)

## Business Responsibility & Sustainability Report

The Company has voluntarily provided the Integrated Report, which encompasses both financial and non-financial information to enable the stakeholders to take well informed decisions and have a better understanding of the Company's long-term perspective.

In our constant endeavor to improve governance, your Company has, on a voluntary basis, transitioned to Business Responsibility & Sustainability Report ("BRSR") for the year ended 31<sup>st</sup> March, 2022, which forms part of this Integrated Annual Report.

## Annual Return

Pursuant to Section 134(3) (a) of the Act, the draft annual return as on 31<sup>st</sup> March, 2022 prepared in accordance with Section 92(3) of the Act is made available on the website of the Company and can be assessed using the link <https://www.adaniports.com/-/media/Project/Ports/Investor/Investor-Downloads/Annual-Return/Annual-Return-2022.pdf>.

## Transactions with Related Parties

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All transactions with related parties entered into during the financial year were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions.

Your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act and SEBI Listing Regulations. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

The Directors / members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested.

The Company did not enter into any related party transactions during the year which could be prejudicial to the interests of minority shareholders.

No loans / investments to / in the related party have been written off or classified as doubtful during the year.

The Policy on Related Party Transactions is available on the Company's website and can be assessed using the link <https://www.adaniports.com/Investors/Corporate-Governance>.

### General Disclosure

Neither the Executive Chairman nor the CEO of the Company received any remuneration or commission from any of the subsidiary of your Company.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Act).
5. Change in the nature of business of your Company.
6. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
7. One time settlement of loan obtained from the banks or financial institutions.

### Insurance

Your Company has taken appropriate insurance for all assets against foreseeable perils.

### Statutory Auditors & Auditors' Report

As per Section 139 of the Act read with rules made thereunder, as amended, the first term of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No 117366W/W-100018), as the Statutory Auditors of the Company, expires at the conclusion of the ensuing AGM and they are eligible for re-appointment for a second term of 5 (five) years. Your Company has received letter from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141 of the Act read with rules made thereunder and that they are not disqualified for such re-appointment.

Your Directors recommend the re-appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of 28<sup>th</sup> AGM of the Company to be held in the calendar year 2027.

Representative of the Statutory Auditors of the Company had attended the last AGM of the Company held on 12<sup>th</sup> July, 2021.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. There are no qualifications or reservations, or adverse remarks or disclaimers given by Statutory Auditors of the Company and therefore do not call for any comments under Section 134 of the Act. The Auditors' Report is enclosed with the financial statements in this Integrated Annual Report.

### Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, read with the rules made thereunder, the Board has re-appointed Mr. Ashwin Shah, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the FY 2021-22 is provided as **Annexure-B** of this report. There are no qualifications, reservations or adverse remarks or disclaimers in the said Secretarial Audit Report.

As per the requirements of SEBI Listing Regulations, Practicing Company Secretaries of the respective material subsidiaries of the Company have undertaken secretarial audits of these subsidiaries for FY 2021-22. The Secretarial Audit Report confirms that the material subsidiaries have complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-

compliances and forms part of this Integrated Annual Report.

### Secretarial Standards

During the year under review, the Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

### Investor Education and Protection Fund (IEPF)

During the year, the Company has transferred the unclaimed and un-encashed dividends for the FY 2013-14 (final) amounting to ₹10,44,560. Further, 19,921 corresponding shares on which dividends were unclaimed for seven consecutive years were transferred as per the requirements of the IEPF Rules. The details of the resultant benefits arising out of shares already transferred to the IEPF, year-wise amounts of unclaimed / un-encashed dividends lying in the unpaid dividend account up to the year, and the corresponding shares, which are liable to be transferred, are provided in the Shareholder information section of the Corporate governance report and are also available on our website ([www.adaniports.com](http://www.adaniports.com)).

### Reporting of frauds by auditors

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or the Board under section 143(12) of the Act.

### Particulars of Employees

The Company had 2,736 employees (on consolidated basis) as of 31<sup>st</sup> March, 2022.

The percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) (as required under the Act) to the median of employees' remuneration, as required under Section 197 of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure-C** of this report.

The statement containing particulars of employees as required under Section 197 of the Act, read with rule 5(2) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure which is available for inspection by the shareholders at the Registered Office of the Company during business hours on working days of the Company. If any shareholder is interested in obtaining a copy thereof, such Shareholder may write to the Company Secretary in this regard.

### Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committees (ICs), at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs include external members with relevant experience. The ICs, presided by a senior women, conduct the investigations and make decisions at the respective locations. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely.

During the year under review, the Company has not received any complaint pertaining to sexual harassment.

All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

### Vigil Mechanism

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The vigil mechanism of the Company provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of the Company at <https://www.adaniports.com>.

[adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf](https://adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf).

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, as amended is provided as **Annexure-D** of this report.

### **Acknowledgement**

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states

in India, Maritime Boards, concerned Government departments, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

**Gautam S. Adani**

*Chairman and Managing Director*

(DIN: 00006273)

Date: 24<sup>th</sup> May, 2022

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## Annexure-A to the Directors' Report

Sr. No.	Policy Name	Web-link
1	Vigil Mechanism / Whistle Blower Policy [Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Whistle-Blower-Policy.pdf</a>
2	Policy for procedure of inquiry in case of leak or suspected leak of unpublished price sensitive information [Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Leak-of-UPSI.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Leak-of-UPSI.pdf</a>
3	Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information [Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code_for_Fair_Disclosure_of_UPSI.PDF">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code_for_Fair_Disclosure_of_UPSI.PDF</a>
4	Terms of Appointment of Independent Directors [Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/ID-Terms-and-Conditions-of-Appointment.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/ID-Terms-and-Conditions-of-Appointment.pdf</a>
5	Familiarization Program [Regulations 25(7) and 46 of SEBI Listing Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Directors-Familiarisation-Programme.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Directors-Familiarisation-Programme.pdf</a>
6	Related party transactions [Regulation 23 of SEBI Listing Regulations and as defined under the Act]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Related-Party-Transaction.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Related-Party-Transaction.pdf</a>
7	Policy on Material Subsidiary [Regulation 24 of the SEBI Listing Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Policy-on-Material-Subsidiary.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Policy-on-Material-Subsidiary.pdf</a>
8	Material Events Policy [Regulation 30 of SEBI Listing Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Material-Events-Policy.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Material-Events-Policy.pdf</a>
9	Website content Archival Policy [SEBI Listing Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Website-Content-Archival-Policy.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Website-Content-Archival-Policy.pdf</a>
10	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/PolicyonPreservationofDocuments.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/PolicyonPreservationofDocuments.pdf</a>
11	Nomination and Remuneration Policy of Directors, KMP and other Employees [Regulation 19 of the SEBI Listing Regulations and as defined under Section 178 of the Act]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Remuneration-Policy.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Remuneration-Policy.pdf</a>
12	CSR Policy [Section 135 of the Companies Act]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/CSRPoly.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/CSRPoly.pdf</a>
13	Dividend Distribution and Shareholder Return Policy [Regulation 43A of the SEBI Listing Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Dividend-Distribution-and-Shareholder-Return-Policy.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Dividend-Distribution-and-Shareholder-Return-Policy.pdf</a>
14	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code_of_Conduct.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code_of_Conduct.pdf</a>
15	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	<a href="https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Board-Diversity-Policy.pdf">https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Board-Diversity-Policy.pdf</a>

## Annexure-B to the Directors' Report

### Form No. MR-3 Secretarial Audit Report

for the financial year ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members

**Adani Ports and Special Economic Zone Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Adani Ports and Special Economic Zone Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives in the conduct of secretarial audit during the pandemic of COVID 19 situation across the country, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas

Direct Investment and External Commercial Borrowings;

- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014 (Not Applicable to the Company during the Audit Period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and;
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);
- vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

- a. The Explosives Act, 1884 and Gas Cylinder Rules, 2004
- b. The Legal Metrology Act, 2009 & The Gujarat Legal Metrology (Enforcement) Rules, 2011
- c. The Petroleum Act, 1934 and The Petroleum Rules, 2002
- d. The Gujarat Special Economic Zone Act, 2004 & The Gujarat Special Economic Zone Rules, 2005
- e. The Merchant Shipping Act, 1958
- f. International Convention for the Safety of Life at Sea, 2002
- g. Gujarat Maritime Board Act, 1981
- h. The Indian Railways Act, 1989 & Wagon Investment Scheme

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India.
- b. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. ("LODR")

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of certain e-forms with additional fees.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year under report, the erstwhile

Chief Financial Officer (CFO) resigned and the process of appointment of new CFO is underway.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has:

1. Passed a special resolution for enhancing the borrowing limits of the Company not exceed in the aggregate to ₹50,000 crore under Section 180 (1) (c) of the Companies Act 2013.

Place: Ahmedabad  
Date: 24<sup>th</sup> May, 2022

**CS Ashwin Shah**  
*Company Secretary*  
UDIN: F001640D000366862  
C.P.No. 1640  
Quality Reviewed 2021 PRC:1930/2022

Note: This report is to be read with our letter of even date which is annexed as "Annexure- A" and forms an integral part of this report.

## 'Annexure-A' to the Secretarial Audit Report

To

The Members

**Adani Ports and Special Economic Zone Limited**

Our report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad

Date: 24<sup>th</sup> May, 2022

**CS Ashwin Shah**

*Company Secretary*

UDIN: F001640D000366862

C.P.No. 1640

Quality Reviewed 2021 PRC:1930/2022

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## Form No. MR-3 Secretarial Audit Report

for the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Adani Krishnapatnam Port Limited**  
(Formerly known as Krishnapatnam Port Company Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI KRISHNAPATNAM PORT LIMITED (FORMERLY KNOWN AS KRISHNAPATNAM PORT COMPANY LIMITED) (CIN: U45203GJ1996PLC128239) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956

('SCRA') and the rules made Thereunder: - Not Applicable to the company during the Audit period;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. However, there were no instances of Overseas Direct Investment.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable to the company during the Audit period; and**
  - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: **Not Applicable to the company during the Audit period.**
- (vi) Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:
- a. Indian Ports Act, 1908
  - b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s): - Not Applicable to the company during the Audit period.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, however the position of Company Secretary was filled after a gap of 28 days.

**We further report that,** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items

before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that,** during the reporting period Company has passed following Special Resolutions in Annual general Meeting held on 10<sup>th</sup> July, 2021.

1. Appointment of Mr. Avinash Rai as a Managing Director of the Company for a period of 3 years w.e.f. 27<sup>th</sup> April, 2021.
2. Adoption of new Articles of Association of the Company.
3. Ratifying the remuneration paid to Mr. G. J. Rao, Managing Director of the Company in FY 2020-21 pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
4. Ratifying the remuneration paid to Mr. Chinta Sasidhar, Whole Time Director of the Company in FY 2020-21 pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

**CS Bhavi Parikh**

*Partner*

Samdani Shah and Kabra

ACS No. 23190

C P No.: 8740

Place: Ahmedabad UDIN: A023190D000292580

Date: 9<sup>th</sup> May, 2022 Peer Review Cer. No.: 1079/2021

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## 'Annexure-A'

To,  
The Members  
**Adani Krishnapatnam Port Limited**  
(Formerly known as Krishnapatnam Port Company Limited)

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: 9<sup>th</sup> May, 2022

**CS Bhavi Parikh**  
*Partner*  
Samdani Shah and Kabra  
ACS No. 23190  
C P No.: 8740  
UDIN: A023190D000292580  
Peer Review Cer. No.: 1079/2021

## Form No. MR-3 Secretarial Audit Report

for the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**The Dhamra Port Company Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THE DHAMRA PORT COMPANY LIMITED (CIN: U45205OR1998PLC005448) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder: **Not Applicable to the company during the Audit period;**

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not Applicable to the company during the Audit period;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **Not Applicable to the company during the Audit period;**

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable to the company during the Audit period;** and
  - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: Not Applicable to the company during the Audit period.
- (vi) Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:
- a. Indian Ports Act, 1908
  - b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s):- Not Applicable to the company during the Audit period.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, however the position of the Manager or Managing Director or CEO and in their absence Whole time director was filled after a gap of 89 days.

**We further report that,** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance,

and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**We further report that,** during the reporting period Company has passed following Special Resolution in Annual general Meeting held on 10<sup>th</sup> July, 2021:

1. Appointment of Ms. Komal Majmudar (DIN: 06956344) as a Women Independent Director of the Company.

**CS Dhvani Rana**

*Partner*

Chirag Shah and Associates

ACS No. 43629

C P No.: 21737

Place: Ahmedabad UDIN: A043629D000293208

Date: 9<sup>th</sup> May, 2022 Peer Review Cer. No.: 704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## 'Annexure-A'

To,  
The Members  
[The Dhamra Port Company Limited](#)

Our Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**CS Dhvani Rana**

*Partner*

Chirag Shah and Associates

ACS No. 43629

C P No.: 21737

UDIN: A043629D000293208

Peer Review Cer. No.: 704/2020

Place: Ahmedabad

Date: 9<sup>th</sup> May, 2022

## Form No. MR-3 Secretarial Audit Report

for the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**The Adani Harbour Services Limited**  
(Formerly known as The Adani Harbour Services Private Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THE ADANI HARBOUR SERVICES LIMITED (CIN:U61100GJ2009FLC095953) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made Thereunder: **Not Applicable to the company during the Audit period;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made Thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment And External Commercial Borrowings:- **Not Applicable to the company during the Audit period;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not Applicable to the company during the Audit period;**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **Not Applicable to the company during the Audit period;**

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable to the company during the Audit period;** and
  - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015: **Not Applicable to the company during the Audit period.**
- (vi) Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:
- a. Indian Ports Act, 1908
  - b. The Merchant Shipping Act, 1958

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s): **Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above however the position of Company Secretary was filled after a gap of 128 days.

**We further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance,

and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that**, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**We further report that** during the year Company has passed following special resolution in Annual general Meeting held on 10<sup>th</sup> July, 2021:

1. Appointment of Ms. Shivna Sanjay Majmudar (DIN: 07160746) as a Women Independent Director of the Company

**CS Dhvani Rana**

*Partner*

Chirag Shah and Associates

ACS No. 43629

C P No.: 21737

Place: Ahmedabad UDIN: A043629D000297278

Date: 10<sup>th</sup> May, 2022 Peer Review Cer. No.: 704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## 'Annexure-A'

To,  
The Members  
[The Adani Harbour Services Limited](#)  
(Formerly known as The Adani Harbour Services Private Limited)

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2022

**CS Dhwani Rana**  
*Partner*  
Chirag Shah and Associates  
ACS No. 43629  
C P No.: 21737  
UDIN: A043629D000297278  
Peer Review Cer. No.: 704/2020

## Form No. MR-3 Secretarial Audit Report

for the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Adani Logistics Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI LOGISTICS LIMITED, (CIN: U63090GJ2005PLC046419) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: **Not Applicable to the company during the Audit period;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas

Direct Investment and External Commercial Borrowings: **Not Applicable to the company during the Audit period**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **Not Applicable to the company during the Audit period;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **Not Applicable to the company during the Audit period;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not Applicable to the company during the Audit period;**
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: **Not Applicable to the company during the Audit period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not Applicable to the company during the Audit period;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **Not Applicable to the company during the Audit period;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable to the company during the Audit period; and**

- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: **Not Applicable to the company during the Audit period.**
- (vi) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:
  - a. The Indian Railway Act, 1989
  - b. The Punjab Shops and Establishment Act, 1958
  - c. The Contract Labour Regulation and Abolition Act, 1970
  - d. The Food Safety and Standards Act, 2006
  - e. The Customs Act, 1962
  - f. The Central Excise Act, 1944

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreement / SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchanges: **Not Applicable to the company during the Audit period.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

**We further report that**, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the year Company has passed following special resolutions in Annual general Meeting held on 10<sup>th</sup> July, 2021:

1. Ratification of Re-appointment of Capt. Sandeep Mehta (DIN: 00897409) as a Managing Director of the Company
2. Appointment of Mr. Vikram Jaisinghani (DIN: 00286606) as a Managing Director of the Company for a period of 3 (three) years.

For, P.PARIKH & ASSOCIATES

**Parthiv Parikh**

*Proprietor*

FCS No. 2692

C P No.: 19200

Place: Ahmedabad

Date: 10<sup>th</sup> May, 2022 UDIN: F002692D000276669

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## 'Annexure-A'

The Members,

[Adani Logistics Limited](#)

CIN:U63090GJ2005PLC046419

Our Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, P.PARIKH & ASSOCIATES

**Parthiv Parikh**

*Proprietor*

FCS No. 2692

C P No.: 19200

UDIN: F002692D000276669

Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2022

## Form No. MR-3 Secretarial Audit Report

for the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Adani Hazira Port Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Adani Hazira Port Limited (herein after referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Due to the current Pandemic situation of COVID-19, Based on our online verification of the Adani Hazira Port Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have online examined the books, papers, minute books, forms and returns filed and other records maintained by Adani Hazira Port Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) Since the Company is not listed on the stock exchange and does not intent to get its shares listed on the Stock Exchange the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company.
- (vii) There are no laws which are specifically applicable to the Company.

Since the Company is not listed on the stock exchange, provisions of the SEBI (LODR) Regulations, 2015 are not applicable. We have examined compliance with applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India for holding Board and General meetings.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period of the Company, there are no specific events / actions having a major bearing on the Company's affairs

in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For, Ravi Kapoor & Associates

**Ravi Kapoor**

*Company Secretary in practice*

FCS No. 2587

C P No.: 2407

UDIN: F002587D000289291

Place: Ahmedabad

Date: 9<sup>th</sup> May, 2022

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## 'Annexure-A'

To,  
The Members,  
[Adani Hazira Port Limited](#)

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Ravi Kapoor & Associates

**Ravi Kapoor**  
*Company Secretary in practice*  
FCS No. 2587  
C P No.: 2407  
UDIN: F002587D000289291

Place: Ahmedabad  
Date: 9<sup>th</sup> May, 2022

## Annexure-C to the Directors' Report

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2021-22:

Name of Directors/KMP	Ratio of remuneration to median remuneration of employees	% increase in remuneration in the financial year
<b>Executive Directors:</b>		
Mr. Gautam S. Adani	49.15:1	64.29
Mr. Karan Adani	47.01:1	106.39
<b>Non-Executive Directors:</b>		
Mr. Rajesh S. Adani <sup>1</sup>	0.85:1	-
Dr. Malay Mahadevia <sup>2</sup>	8.78:1	-
Mrs. Avantika Singh Aulakh	-	-
Prof. G. Raghuram <sup>3</sup>	3.15:1	-
Mr. G. K. Pillai <sup>3</sup>	3.42:1	-
Mrs. Nirupama Rao <sup>3</sup>	2.70:1	-
Mr. Bharat Sheth <sup>3</sup>	2.56:1	-
Mr. P. S. Jayakumar <sup>3</sup>	3.04:1	-
<b>Key Managerial Personnel:</b>		
Mr. Kamlesh Bhagia	N.A.	12.61

<sup>1</sup>Reflects sitting fees

<sup>2</sup>Reflects remuneration upto 31.05.2021 and sitting fees w.e.f 01.06.2021

<sup>3</sup>Reflects sitting fees and commission

- ii) The percentage increase in the median remuneration of employees in the financial year: 12.36%
- iii) The number of permanent employees on the rolls of Company: 1,125 as on 31<sup>st</sup> March, 2022.
- iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average increase in remuneration of employees excluding KMPs: 7%
  - Average increase in remuneration of KMPs: 78%
  - KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.
- v) Affirmation that the remuneration is as per the Remuneration Policy of the Company:  
The Company affirms remuneration is as per the Remuneration Policy of the Company.

## Annexure-D to the Directors' Report

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

#### A. Conservation of Energy

##### I) Steps taken or impact on conservation of energy

- LED lights conversion in STS Crane is completed and the utility energy consumption is reduced by 9,488 units annually.
- LED lights conversion in RTG Crane is completed and the utility energy consumption is reduced by 1,120 units annually.
- The installed LED Lights 16 nos. (2 X 200W) with total load of 6,400W in existing HM tower, 2 Nos. HM Towers are now totally replaced and optimized with 16 Nos. (1 X 320W) Fittings. This yielded an energy saving of 11,200 units per year in 2 Nos. HM Tower.
- Average power factor of the system has been maintained up to 0.96 for Multi-purpose Terminal (MPT).
- LED light conversion in Conveyor, WLS and TLS area. Installation 1,514 Nos. 30 W LED light in place of 70W HPSV lights and utility energy consumption is reduced by 1,98,939 KWH annually.
- LED light conversion in HM tower. Installation 35 Nos. 325 W LED light in place of 1,000 W HPSV lights and utility energy consumption is reduced by 86,231 KWH annually.
- Air-line tapping for WLS & TLS take from local compressor & reduce power consumption of 36,810 KWH annually.
- Mundra West Basin: Reduction in KWH/Ton from 0.34 to 0.29 KWH/MT in Berth -3 Conveyor Route by increase belt loading capacity. This initiatives has saved 2,78,680 units of energy translating around ₹18.5 Lakh cost saving(considered electricity unit rate ₹6.6 KWH).
- Diesel Saving Initiative - Modification in DMC Tractor: DG Operated compressor removed & TOYO Compressor installed in DMC

Tractor. Resulting in to saving of 3,568 Liter Fuel(considered Diesel rate - ₹90/L).

- TLS Chute modification at West Basin: Impact of this modification- average cargo correction reduced from 8.44 MT to 2.14 MT. This will results in saving of 5,381 Liter Diesel used in HEME Equipment's for correction. Estimated annual saving is ₹4,84,290.

##### II) Steps taken by the Company for utilising alternate sources of energy

- Solar alternate energy used and generate 39,33,427 units for Multi-purpose Terminal (MPT).
- Solar alternate energy used and generate 61,71,073 units for West Basin Coal Terminal.

##### III) Capital investment on energy conservation equipment - Not applicable

#### B. Technology Absorption

##### I) Efforts made towards technology absorption

- Three Nos. New STS Cranes are commissioned which has the following new technologies and safety systems in-built, which significantly targets safety of Manpower/Equipment, removal of manpower requirement for repetitive jobs, improve efficiency of operator and better productivity.
  - a) Chassis Positioning System.
  - b) Vessel profiling system
  - c) Optical Character Recognition (OCR) System
  - d) Auto lubrication system
  - e) Online Vibration Monitoring System
  - f) Boom Anti Collision and CCTV Camera System
- Fuel level sensor is installed and hooked up with RTG PLC and mimics developed in SCADA for real time monitoring of Fuel level in RTGs.

- High Tension Breaker operating through Human machine interface screen develop to increase safety by absorbing technology at Multipurpose terminal.
- Fertilizer Cargo Complex Air compressor operation controlling through Central control room SCADA at Multi-purpose terminal.
- Fertilizer Raw Material conveyor system Siemens PLC upgrade from S7-200 to S7-300 at Multipurpose terminal (MPT).
- Idler monitoring demo was successfully done for online monitoring of idler temperature.
- Gear Box (Hold & Close) oil temperature continuous monitoring for 8 Nos of GSU was developed in SCADA graphs.
- Inclinometer installed in HEME equipment.
- SCADA and Servers were upgraded to its latest versions for control room.
- GSU CMS was upgraded to its latest versions.
- Anti-collision sensors were installed in all BWSR to avoid truck collision with boom/bucket.

- Anti-collision camera system trial was done in GSU to prevent collision between grab and HEME equipment.

II) **Benefits derived like product improvement, cost reduction, product development or import substitution:** Not applicable

III) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not applicable

IV) **Expenditure incurred on Research and Development:** Not applicable

### C. Foreign Exchange Earnings and Outgo

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

Particulars	₹ in crore)	
	2021-22	2020-21
Foreign exchange earned	93.88	40.49
Foreign exchange outgo	1,554.82	1,198.29

## Annual Report on CSR Activities to be included in the Board's Report for Financial Year 2021-22.

1. Brief outline on CSR Policy of the Company. : The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The Company has identified Education, Community Health, Sustainable Livelihood and Community Infrastructure as the core sectors for CSR activities.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the tenure	Number of meetings of CSR Committee attended during the tenure
1	Mr. Rajesh S. Adani <sup>1</sup>	Chairman	3	-
2	Mrs. Nirupama Rao <sup>2</sup>	Chairperson	1	1
3	Dr. Malay Mahadevia	Member	4	3
4	Mr. G. K. Pillai	Member	4	4
5	Prof. G. Raghuram <sup>2</sup>	Member	1	1

<sup>1</sup>ceased as Member w.e.f. 27.10.2021

<sup>2</sup>Appointed as Member w.e.f. 27.10.2021

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company. : <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/CSR-Plan.pdf>
4. Provide the details of Impact assessment of CSR projects carried out in Pursuance of Sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). : Not applicable during the year under review.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial year, if any. : Yes. ₹16.00 crore excess spent in FY 2020-21 is available for set-off.

Sr. No.	Financial Year	Amount available for set-off from preceding Financial years (₹ in crore.)	Amount required to be set off for the Financial year, if any (₹ in crore)
1	2020-21	₹16.00	₹16.00
	Total	₹16.00	₹16.00

6. Average net profit of the Company as per Section 135(5). : ₹2494.70 crore
7. (a) Two percent of average net profit of the Company as per Section 135(5).: ₹49.89 crore
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial years. : Nil
- (c) Amount required to be set off for the Financial Year, if any. : ₹16.00 crore
- (d) Total CSR obligation for the Financial year (7a + 7b - 7c). : ₹33.89 crore
8. (a) CSR amount spent or unspent for the Financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	In ₹	Date of transfer	Name of the Fund	In ₹	Date of Transfer
₹34.29 Crore	Nil	-	-	Nil	-

- (b) Details of CSR amount spent against ongoing projects for the Financial Year : Not applicable
- (c) Details of CSR amount spent against other than ongoing projects for the Financial year 2021-22 : As per given below table.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes /No)	Location of the Project		Amount allocated for the project (₹ in crore)	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency.	
				State	District			Name	CSR Reg. number:
1	Empowering youth for employment or self -sustainability through vocational training	(vii)	Yes	Across Gujarat		1.47	No	Adani Skill Development Centre	CSR00000586
2	Education and Social development including Admin expenses	(i) & (ii)	Yes	Across Gujarat		7.00	No	Adani Foundation	CSR00000265
3	Community Health	(i)	Yes	Mundra, Gujarat		3.21	No		
4	Sustainable Livelihood	(iv)	Yes	Mundra, Gujarat		1.88	No		
5	Promoting Health Care	(i)	Yes	Nagpur, Maharashtra		15.00	No	Dr. Aabaji Thatte Seva Aur Anusandhan Sansthan	CSR00012471
6	Promoting Health Care	(i)	Yes	Mumbai, Maharashtra		0.1	No	Yuvak Pratishthan	CSR00012045
7	Environmental Sustainability	(iv)	Yes	Gandhinagar, Gujarat		0.25	No	Environmental Sanitation Institute	CSR00009029
8	Environmental Sustainability	(iv)	Yes	Kutch, Gujarat,		1.00	No	Enviro Creators Foundation	CSR00003641

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes /No)	(5) Location of the Project		(6) Amount allocated for the project (₹ in crore)	(7) Mode of Implementation Direct (Yes/No)	(8) Mode of Implementation Through Implementing Agency.	
				State	District			Name	CSR Reg. number:
9	Promoting education	(i) & (ii)	Yes	Surat, Gujarat		0.1	No	Takshashila Education and Medical Charitable Trust	CSR00012515
10	Covid -19 initiative	(i)	Yes	Across India		3.86	Yes	-	-

- (d) Amount spent in Administrative Overheads : ₹0.42 crore  
(e) Amount spent on Impact Assessment, if applicable : Not applicable  
(f) Total amount spent for the FY 2021-22 (8b + 8c + 8d + 8e) : ₹34.29 crore  
(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (₹ In Crore)
(i)	Two percent of average net profit of the Company as per Section 135(5)	₹49.89 crore
(ii)	Total amount spent for the financial Year	₹50.29 crore (including carry forward of ₹16.00 crore of previous year)
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii) – (iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years : Not applicable  
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : Not applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year. (asset-wise details)
- (a) Date of creation or acquisition of the capital asset(s) : Not applicable  
(b) Amount of CSR spent for creation or acquisition of capital asset : Not applicable  
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not applicable  
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : Not applicable
11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per Section 135(5) : Not applicable

**Gautam S. Adani**  
(Chairman and Managing Director)

**Nirupama Rao**  
(Chairperson CSR Committee)

# Management discussion & analysis

## Company overview

Adani Ports and Special Economic Zone Limited (APSEZ / Company), promoted by Adani Group, is India's largest port developer and operator comprising 12 ports and terminals and 538 MMT of operating capacity. APSEZ's domestic ports are in seven maritime states (Gujarat, Goa, Kerala, Andhra Pradesh, Maharashtra, Tamil Nadu and Odisha), which account for around one-fourth of the country's total port capacity, managing large volumes of cargo from coastal areas and the broad hinterland. The Company is creating a transshipment port at Vizhinjam in Kerala. Nearly, 62% of the Company's capacity is on the west coast of India and 38% on the east coast.

The Company aims to evolve as the India's largest integrated transport utility company and the world's largest private port company by 2030. APSEZ pioneered the concept of Science Based Targets Initiative (SBTi) in India, the third port company in the world to do so. APSEZ's vision is to achieve carbon neutrality by 2025, validating its commitment to emission reduction targets to control global warming at 1.5°C above pre-industrial levels and become carbon-positive by 2030.

Adani Logistics Limited (ALL), a wholly owned subsidiary of APSEZ, is the most diversified end-to-end logistic services provider in India with a footprint across all key global markets. ALL administers six logistics parks.

## Highlights of FY2021-22 (FY22)

### Ports

- Sarguja Rail Corridor Pvt. Ltd. acquisition completed and consolidated in APSEZ books with effect from 1<sup>st</sup> April, 2021
- Gangavaram Port Ltd. (GPL) acquisition is likely to be completed in all aspects in Q1 FY23; post-NCLT approval, APSEZ FY22 numbers will be restated to include GPL retrospectively from 1<sup>st</sup> April, 2021
- Acquired remaining 25% stake in Krishnapatnam port for ₹2,800 crore, making it a 100% subsidiary of APSEZ
- Acquired 97.17% stake in Ocean Sparkle Ltd, India's leading third-party marine services provider
- Received LOA from Haldia Port Trust for setting up a 5 MMTPA bulk terminal
- Container terminal at Colombo (WCT I) achieved financial closure in February, 2022 with construction expected to begin soon
- Vizhinjam port is expected to commence operations during FY24
- APSEZ emerged as the highest bidder for the West Bengal government's greenfield deep-sea port project in Tajpur
- The Tribunal adjudicating the legality of the termination of the underlying concession agreement of Adani Vizag Coal Terminal awarded an interim settlement of ₹155 crore, which the Company received from the Vizag Port Trust

### Logistics

- Launched Grade-A warehousing business segment by partnering Flipkart for a 534,000 sq. ft. fulfilment center in the upcoming logistics hub in Mumbai
- Initiated the construction of new warehousing facilities at Mumbai, Indore, Palwal, Ranoli, Kochi and Virochannagar totaling 4 million sq. ft., with likely commissioning by Q4FY23
- Construction of Multi-Modal Logistics Parks (MMLPs) initiated at Virochannagar and Taloja; with this ALL, will have eight MMLPs at strategic locations across India
- ALL is constructing five projects of cumulative 250,000 MT capacity at Panipat, Kannauj, Dhamora, Darbhanga and Samastipur. Two of these projects will be commissioned in H1FY23, one in H2FY23 and the rest in FY24.

- ALL placed an order for additional 19 bulk rakes (under GPWIS) to be delivered in FY23

## SEZ

- Agreement with IOCL to augment crude oil capacity by constructing nine new tanks at Mundra, thus enabling it to handle and blend additional 10 MTPA crude oil
- MOU signed with POSCO for setting up a 5 MTPA integrated steel plant in Mundra
- An agreement signed with the Bangladesh Economic Zones Authority (BEZA) to set up an Indian Economic Zone at the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Mirsarai, Chattogram

## Economic review

### Global economic overview

The global economy grew an estimated 6.1% in 2021 compared to a de-growth of 3.1% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, foodgrains, fertilisers and gold.

As per the IMF's World Economic Outlook in April 2022, the global economy is projected to grow by 3.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

### IMF's world economic outlook projections in April 2022

(% YoY)	2020	2021	2022	2023
World output	-3.1	6.1	3.6	3.6
Advanced economies	-4.5	5.2	3.3	2.4
United States	-3.4	5.7	3.7	2.3
Euro area	-6.4	5.3	2.8	2.3
Germany	-4.6	2.8	2.1	2.7
France	-8.0	7.0	2.9	1.4
Italy	-9.0	6.6	2.3	1.7
Spain	-10.8	5.1	4.8	3.3
Japan	-4.5	1.6	2.4	2.3
United Kingdom	-9.3	7.4	3.7	1.2
Canada	-5.2	4.6	3.9	2.8
Other advanced economies	-1.8	5.0	3.1	3.0
Emerging market and developing economies	-2.0	6.8	3.8	4.4
Emerging and developing Asia	-0.8	7.3	5.4	5.6
China	2.2	8.1	4.4	5.1
India	-6.6	8.9	8.2	6.9
ASEAN-5	-3.4	3.4	5.3	5.9
Emerging and developing Europe	-1.8	6.7	-2.9	1.3
Russia	-2.7	4.7	-8.5	-2.3
Latin America and the Caribbean	-7.0	6.8	2.5	2.5
Brazil	-3.9	4.6	0.8	1.4
Mexico	-8.2	4.8	2.0	2.5
Middle East and Central Asia	-2.9	5.7	4.6	3.7

(% YoY)	2020	2021	2022	2023
Saudi Arabia	-4.1	3.2	7.6	3.6
Sub-Saharan Africa	-1.7	4.5	3.8	4.0
Nigeria	-1.8	3.6	3.4	3.1
South Africa	-6.4	4.9	1.9	1.4

(Source: IMF)

### Performance of major economies

**United States:** The US economy grew by 5.7% in 2021, the highest in almost four decades, against a contraction of 3.4% in 2020 primarily due to strong consumer and business spending and investments, aided by private capex and exports.

**China:** The Chinese economy grew by 8.1% in 2021, exceeding the government's target of above 6% economic growth. However, the zero-Covid policy caused increased infections further exacerbating economic disruptions amidst muted consumer spending. China's economic outlook is affected by several weaknesses including rising raw material costs, doubtful demand recovery and Russia-Ukraine war. The Chinese government has set a growth target of 5.5% for 2022, which is the lowest since 1991.

**United Kingdom:** The country's GDP grew 7.4% in 2021 compared to a 9.3% de-growth in 2020.

**Japan:** The country reported growth of 1.6% in 2021 following a contraction of -4.5% in the previous year.

**Germany:** The country reported a GDP growth of

2.8% in 2021 compared to a decline of 4.6% in 2020.

(Source: IMF)

### Indian economic overview

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounded from de-growth of 6.6% in 2020-21. As per the data released by Central Statistics Office (CSO) of the Government of India, real GDP growth in 2021-22 was 8.7% with private consumption growth at 7.9% and government consumption by 2.6%. Capex as measured by gross fixed capital formation (GFCF) showed a growth of 15.8%. On the supply side, industrial sector including mining, manufacturing, electricity and other utilities and construction saw an accelerated rate of growth at 11.6%, 9.9%, 7.5% and 11.5%, respectively in 2021-22.

By the close of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China). India is the second most populous country in the world and its under-consumed rural population is arguably the largest in the world.

### Y-o-Y growth of the Indian economy

	FY19	FY20	FY21	FY22
Real GDP growth (%)	6.5	3.7	(6.6)	8.7

### Growth of the Indian economy

Growth, YoY (%)	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22
Private consumption	-23.8	-8.3	0.6	6.5	14.4	10.5	7.4	1.8
Government consumption	13.6	-22.9	-0.3	29.0	-4.8	8.9	3.0	4.8
Gross Capital Formation	-48.3	-6.1	-1.9	11.9	72.3	26.8	8.4	5.2
Fixed Capital	-45.3	-4.5	-0.6	10.1	62.5	14.6	2.1	5.2
Exports	-25.5	-6.5	-8.6	3.7	40.8	20.7	23.1	16.9
Less, Imports	-41.1	-17.9	-5.2	11.7	61.1	41.0	33.6	18.0
GDP	-23.8	-6.6	0.7	2.5	20.1	8.4	5.4	4.1

(Source: Central Statistics Office (CSO), Government Of India)

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 2.5% in the last quarter of 2020-21, the Indian economy grew 20.1% in the first quarter of FY 2021-22 due to low base during the corresponding period of the previous year.

Rainfall was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice

and pulses recorded volumes of 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of 371.47 million tonnes. The agricultural gross value added (GVA) growth in FY22 is 3.0%.

#### Foreign trade is at an all-time high.

India's merchandise exports and imports finally improved in 2021-22 from the consecutive decline of preceding two years. Apart from volumes growth, there was also a value growth on account of rise in global commodity prices.

#### Trends in India's trade

(USD billion)

	FY18	FY19	FY20	FY21	FY22
<b>Exports</b>	<b>303.6</b>	<b>330.2</b>	<b>313.2</b>	<b>291.0</b>	<b>422.1</b>
POL	37.5	46.6	41.2	25.7	67.6
Non-POL	266.1	283.6	271.9	265.2	354.6
<b>Imports</b>	<b>465.6</b>	<b>514.3</b>	<b>474.2</b>	<b>393.0</b>	<b>612.6</b>
Crude & POL	108.7	141.1	130.5	82.4	161.8
Gold & Silver	36.9	36.6	30.8	35.1	49.5
Non-POL & Non-Gold & Silver	320.1	336.6	312.8	275.5	401.3

(Source: Directorate General of Commercial Intelligence and Statistics (DGCI&S), Government of India)

At USD 422 billion in 2021-22, merchandise exports were at their highest, growing by 45.1% y-o-y. India's exports surge in FY22 was led by manufacturing of engineering goods, electronic goods, textiles and gems and jewellery. Out of the USD 131 billion incremental exports in 2021-22, USD 81 billion came from manufactured goods and USD 42 billion was from POL. In manufactured goods, engineering goods, textiles and electronic goods accounted for USD 34 billion, 21 billion and 5 billion growth respectively.

#### India's exports of major commodities

(USD billion)

	FY18	FY19	FY20	FY21	FY22
Petroleum, Oil & Lubricants (POL)	37.5	46.6	41.2	25.7	67.6
Agricultural and allied products	38.4	38.7	35.2	41.3	49.7
Ores & minerals	3.3	3.6	4.6	7.0	6.0
<b>Manufactured goods</b>	<b>221.8</b>	<b>237.9</b>	<b>228.8</b>	<b>213.9</b>	<b>294.8</b>
Leather & leather manufactures	5.4	5.3	4.8	3.5	4.7
Chemicals & related products	38.3	44.5	45.8	49.1	57.3
Engineering goods	74.6	79.2	74.3	72.2	106.3
Electronic goods	7.6	10.0	12.9	12.1	16.9
Textiles (excluding readymade garments)	17.1	18.3	16.8	15.9	23.8
Readymade garments	16.7	16.1	15.5	12.2	16.0

	FY18	FY19	FY20	FY21	FY22
Other manufactured goods	62.1	64.4	58.7	48.9	69.8
Other commodities	2.6	3.3	3.4	3.1	4.1
<b>Total</b>	<b>303.6</b>	<b>330.2</b>	<b>313.2</b>	<b>291.0</b>	<b>422.1</b>

(Source: Directorate General of Commercial Intelligence and Statistics (DGCI&S), Government of India)

India's merchandise imports surged by 56.0% to USD 613.3 billion in 2021-22. Both exports and imports were at an all-time high. India's crude and POL import bill almost doubled to USD 162.1 billion in 2021-22 from USD 82.4 billion in 2020-21 as the prices of crude oil saw a sharp rally. Imports of non-POL items also peaked at USD 451.1 billion during 2021-22, translating into a growth of 45.2% over 2020-21. Of the USD 220 billion incremental imports in 2021-22, USD 108 billion came from manufactured goods and USD 79 billion was from POL. In manufactured goods, USD 23 billion, 24 billion and 20 billion rise was seen in chemicals, engineering goods and electronic goods respectively. Apart from this, gold and silver and precious stones accounted for USD 14 billion and 13 billion respectively.

#### India's imports of major commodities

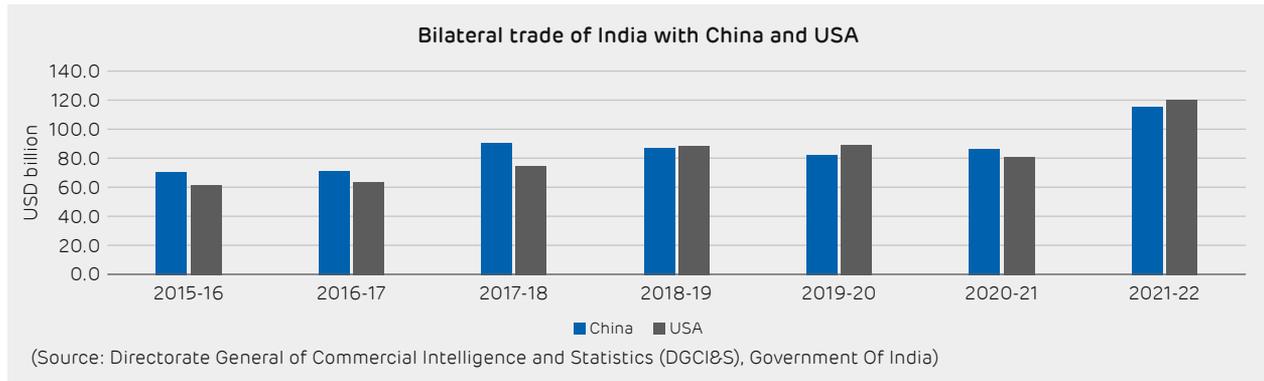
(USD billion)

	FY18	FY19	FY20	FY21	FY22
Crude & POL	108.7	141.1	130.5	82.4	161.8
Agricultural and allied products	24.8	20.8	21.8	21.5	32.3
Ores & minerals	31.8	33.6	27.3	20.8	40.9
<b>Manufactured goods</b>	<b>295.4</b>	<b>313.8</b>	<b>289.8</b>	<b>263.8</b>	<b>371.5</b>
Leather & leather manufactures	1.1	1.1	1.0	0.6	0.9
Chemicals & related products	40.9	48.4	44.9	45.4	68.4
Engineering goods	87.3	101.1	97.0	76.2	100.1
Electronic goods	55.8	60.2	57.2	56.6	76.8
Textiles (excluding readymade garments)	4.1	4.5	4.6	3.8	5.4
Readymade garments	0.8	1.1	1.1	0.9	1.3
Other manufactured goods	105.5	97.3	84.0	80.3	118.6
Other commodities	5.0	5.0	4.8	4.5	6.0
<b>Total</b>	<b>465.6</b>	<b>514.3</b>	<b>474.2</b>	<b>393.0</b>	<b>612.6</b>

(Source: Directorate General of Commercial Intelligence and Statistics (DGCI&S), Government Of India)

#### US surpassed China to become India's top trading partner in 2021-22

Bilateral trade between the US and India stood at USD 119.5 billion in 2021-22 as against USD 80.3 billion in 2020-21. During 2021-22, India's bilateral trade with China aggregated to USD 115.4 billion as compared to USD 86.2 billion in 2020-21. India's trade deficit with China in 2021-22 expanded to USD 73 billion (USD 43.8 billion in 2020-21) while trade surplus with US rose to USD 32.8bn (USD 22.7 bn in 2020-21) indicating adverse terms of trade with the former.



India's global trade share rose to 2.16%. As per preliminary data released by the WTO, India's share in world trade in 2021 rose to 2.16% in 2021 from 1.83% in 2020. India's exports share in global exports touched 1.77% in 2021 as per early data by WTO, possibly led by manufacturing, pharmaceuticals and fuels etc. India's import share at 2.54% in 2021 was led by fuel and manufacturing.

Merchandise trade	2017	2018	2019	2020	2021
India's Share (%)	2.10%	2.13%	2.11%	1.83%	2.16%

(Source: World Trade Organization (WTO), Directorate General of Commercial Intelligence and Statistics (DGCI&S), Government Of India)

There were other positive features of the Indian economy during the year under review.

Foreign direct investments (FDI) in India increased 15% to USD 74.01 billion in 2021 from USD 87 billion in 2020, a validation of global investor confidence in India's growth story. The Indian government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed the ₹88,000 crore target set for asset monetisation in 2021-22, raising over ₹97,000 crore with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year ₹6 lakh crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received USD 87 billion during 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as on September

3, 2021, crossing USD 600 billion in FOREX reserves for the first time.

India's currency weakened 3.59% from ₹73.28 to ₹75.91 to a US dollar through FY22. The consumer price index (CPI) of India stood at 5.5% in FY22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of FY22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 standing at ₹1.42 lakh crore, which is 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹51,000 crore in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of USD 3.21 trillion in March 2022.

India's per capita income was estimated to have increased 16.28% from ₹1.29 lakh in 2020-21 to ₹1.50 lakh in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

### Indian economic reforms and Budget 2022-23 (Budget) provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The Indian government is emphasizing the role of PM Gati Shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

#### Union Budget 2022-23 for infrastructure and logistics sector

- PM GatiShakti, encompassing a multimodal connectivity and logistics efficiency plan with digital intervention, was one of the four key features of the Budget.
- A masterplan for expressways was proposed to be formulated. The Budget planned for additional 25,000 km to be added to the highways network in FY 2022-23 (FY23).
- 2000 km of rail network is to be brought under the 'Kavach' technology for safety.
- Four multimodal logistics park contracts will be awarded in FY23.
- 400 new-gen Vande Bharat trains and 100 PM GatiShakti cargo rail terminals will be developed over the next three years.
- A unified logistics interface platform (ULIP) to enable data exchange through different modes and to provide real-time information will be set up.
- Data centres and energy storage systems will be included in the harmonized list of infrastructures.

The capital expenditure target of the Indian government expanded by 35.4% from ₹5,54 lakh crore to ₹7,50 lakh crore. The effective capital expenditure for FY23 is seen at ₹10.7 lakh crore. An outlay of ₹5.25 lakh crore was made to the Ministry of Defence, which is 13.31% of the total budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly ₹20,000 crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for FY23 for the national highways network. To boost the agricultural sector, an allocation of ₹2.37 lakh crore was made towards the procurement of wheat and paddy under MSP operations. An outlay of ₹1.97

lakh crore was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

#### Outlook

The Indian economy is projected to grow by 8.2% in FY23 (IMF WEO April 22 estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity. Since the onset of the accommodative stance of the RBI and the resulting cumulative rate hikes of 0.9%, the growth outlook has been revised downwards. As per the survey of Professional Forecasters released by RBI, the growth projection for FY23 has been revised down to 7.2%.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹5 trillion. Besides, the government's production linked incentives (PLI)-led capex should generate an incremental ₹1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

### Industry review

#### Global ports sector review

Global maritime trade de-grew 3.8% in the first half of 2020 with global volumes rebounding for containerized trade and dry bulk commodities by the end of 2020 that created a growth platform in 2021. UNCTAD ascribes the improved performance of the maritime trade to the reality that the COVID-19 pandemic unraveled in phases.

In line with the recovery in merchandise trade and world output, maritime trade is estimated to enhance by 4.3% in 2021. The medium-term perspective continues to be positive, even though subject to growing risks and uncertainties, and reduced due to the projected lower growth in the global economy. Compounded annual growth in maritime trade over the past two decades has been 2.9%, but over the period 2022-2026, UNCTAD anticipates that rate to moderate to 2.4%.

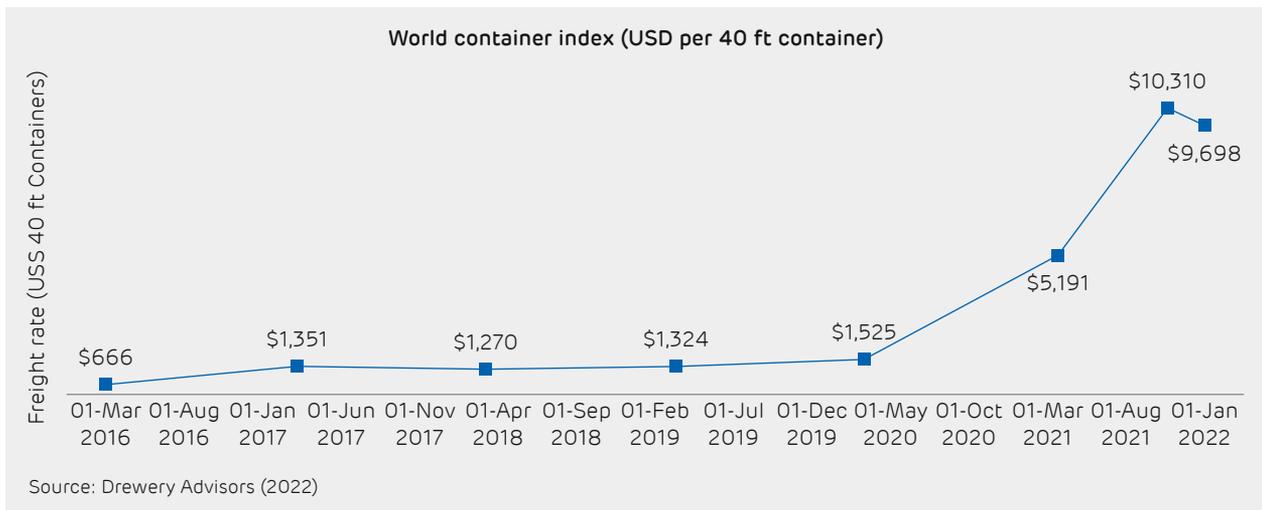
Although, the maritime trade took a relatively low beating, one of the major components of the maritime trade that took a severe beating was of seafarers. While the maritime industry recovered from disruption, seafarers were affected on account of an unmatched global crew-change crisis. Owing to the regulations forced on global travel, thousands of seafarers could not sign off from ships to return home

for their breaks while an equal number were unable to join ships.

The global fleet enhanced by a comprehensive 3.04% in 2021 across all types except for general cargo ships and other ships. During 2021, global container trade recorded an annual growth rate of 9.3% with volumes reaching 171.1 million twenty foot equivalent unit (TEU). Container volumes saw a sharp rebound as consumer demand enhanced, catalyzed by stimulus packages and steps to strengthen incomes during COVID-19. The recovery in 2021 resulted in a transformation of consumption patterns from services to goods, principally online purchases

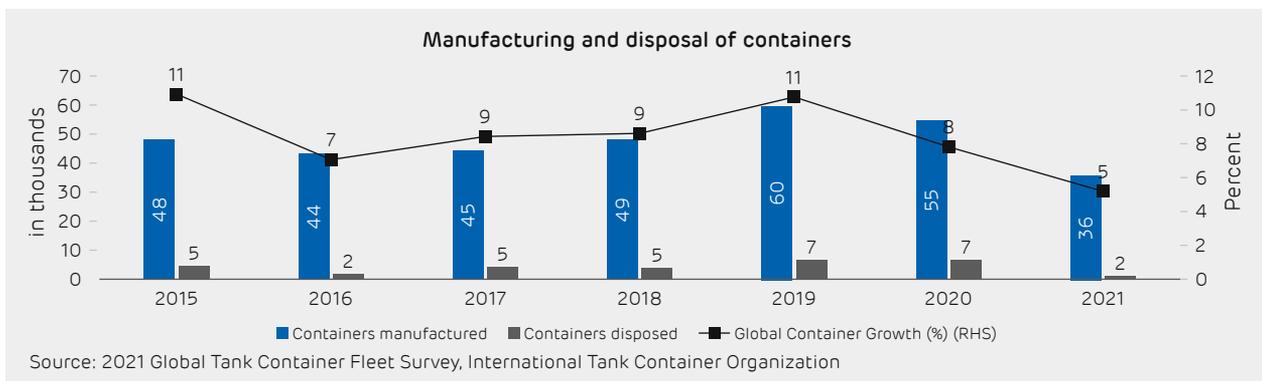
coupled with health products and pharmaceuticals to counterpoise COVID-19 and home office equipment through increase in work from home.

The government's recent Economic Survey noted the container shortage also mentioned in the Drewry's Composite World Container Index. The Index estimates USD 9,698.33 per 40 ft container as of 20<sup>th</sup> January 2022 which is USD 6,656 higher than the five-year average and remains 82% higher over the previous year. Such a significant rise in price for a prolonged period indicates that the disruptions in the global container market are not yet over and will continue to impact the global sea trade.



As per the Economic Survey, the shortage of containers also impacted the Indian sea trade. According to the Federation of Indian Export Organization, the lack of containers resulted in upto 300-350% rise in sea freight rates.

According to the 2021 Global Tank Container Fleet Survey, the production new containers slowed since 2019.



Simultaneously, a rise in the disposal of containers was observed for the same period. The overall growth in the containers fell from 11% in 2019 to 5% in 2021. The survey opines that unless the production is ramped significantly across the globe, container shortage could remain a problem.

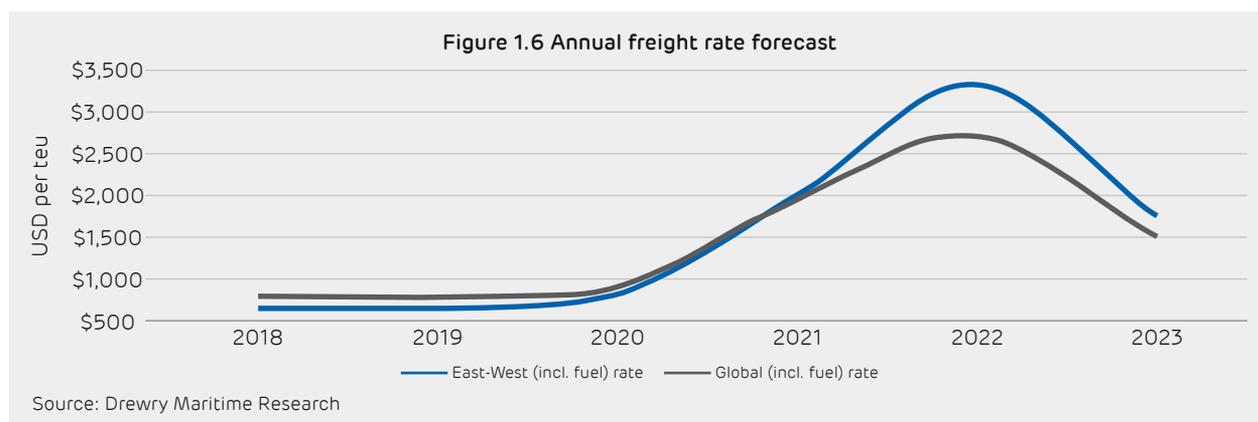
The global compounded annual growth rate for containerized trade is expected to grow 3.2% between 2022 and 2025 and 2.9% in the long-term by 2030. The sector witnessed record freight rates on account of container shortages, reaching its peak in September 2021. The freight rates on most trade lanes are expected to enhance due to replacement demand for the Russia-Ukraine cargo, with backhaul freight rates remaining robust. There must be some relief to the congested supply chain taking place in the second half of 2022, but noteworthy change is expected in 2023 (Source: IHS Markit, UNCTAD).

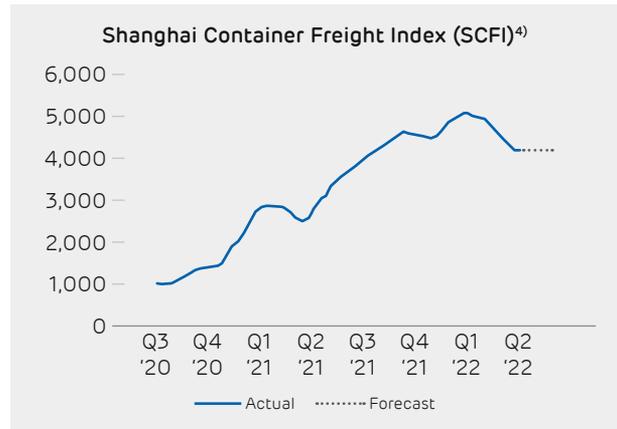
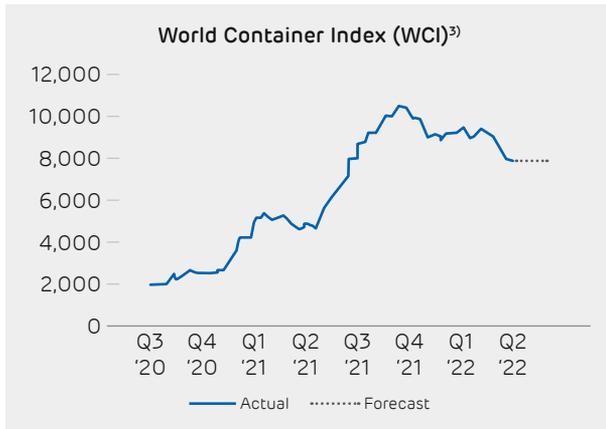
### Outlook

As per the latest report from Drewry, an independent maritime research consultancy, the global market is likely to witness sluggish demand in 2022. As per the report by Drewry, global containers are expected to grow at 4.1% in 2022 and 2.8% in 2023. For Asia, container growth was revised from 4.4% in 2022 to 2.8–3.3% in 2023.

Forecast	Unit	2022			2023		
		Dec 21	Mar 21	FCST Direction	Dec 21	Mar 21	FCST Direction
Port throughput							
World	%change	4.6%	4.1%	↓	3.5%	2.8%	↓
Asia	%change	4.8%	4.4%	↓	3.3%	2.8%	↓
Europe	%change	6.0%	5.2%	↓	3.2%	2.4%	↓
North America	%change	4.4%	2.9%	↓	3.8%	2.7%	↓
Latin America	%change	0.6%	1.0%	↑	3.5%	2.5%	↓
Middle East	%change	3.8%	3.6%	↓	3.1%	2.5%	↓
South Asia	%change	5.7%	5.8%	↑	6.4%	5.2%	↓
Africa	%change	4.0%	2.0%	↓	4.2%	3.4%	↓
Oceania	%change	3.3%	3.6%	↑	3.1%	2.5%	↓

As per Drewry's latest report ocean freight demand is expected to soften. In India, ocean freight market correction was witnessed by 15-20% in major Europe and US trade lanes. Shanghai Containerized Freight Index (SCFI) is also expected to follow a similar trend.

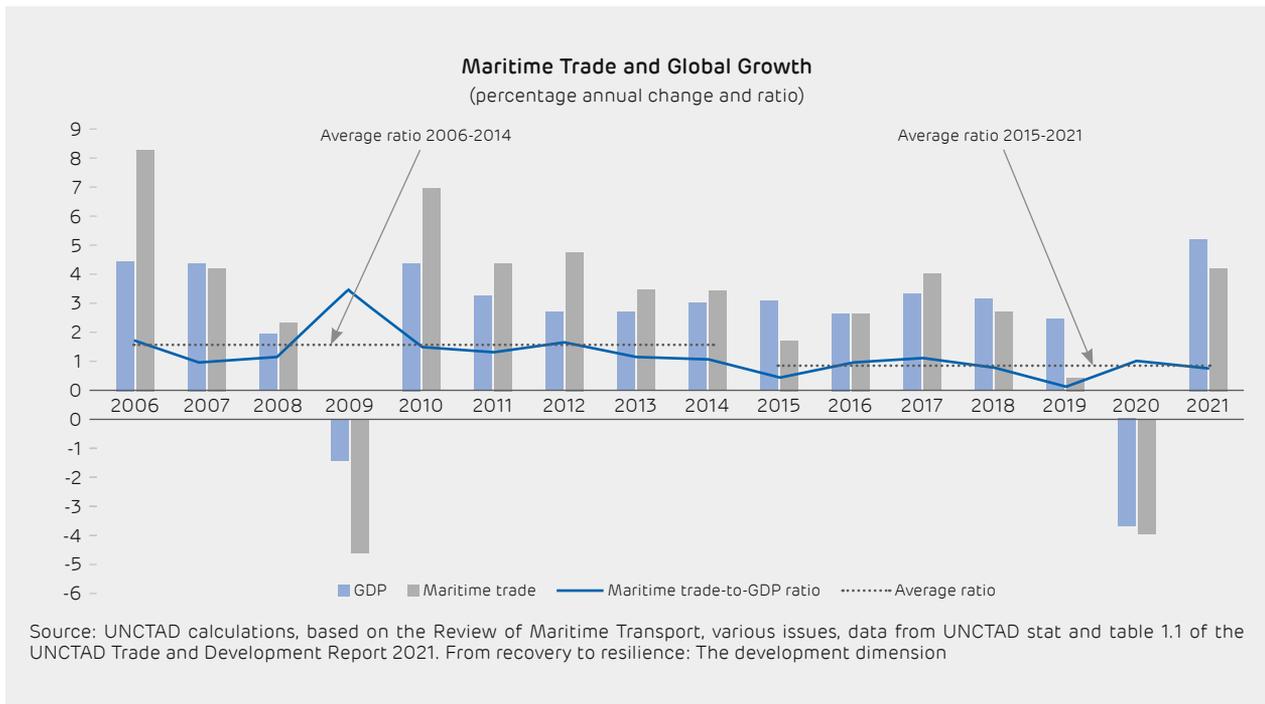




Surcharges related to e.g., equipment & space availability are not reflected in WCI & SCFI

As per industry estimates, by the end of 2022, 50% of all manufacturing supply chains would witness the advantages of resilience, anticipated to result in a 10% moderation in supply chain disruption. By end 2022, shortages of chronic workers could persuade 75% supply chain companies to concentrate investments in automation leading to productivity improvements. Increased use of data and information could be used in 2022 to assess developments and disruptions in the supply chain leading companies to make more data-driven decisions in business. (Source: UNCTAD)

**International maritime trade, world gross domestic product and maritime trade to GDP ratio, 2006 to 2021**



### **Comprehensive global recovery will be determined through agile, strong and sustainable maritime transport**

The COVID-19 pandemic activated a sequence of shocks and waves, each setting off their own spinoff events. The recovery was scattered, with distinctiveness in the quantum and scale of policy support and inequitable access to vaccines. Even though the initial impact on maritime transport was less dramatic than estimated, the outlook is hazy. The duration for a lasting recovery will revolve around the pandemic outcome, scope and duration of vaccination plans as well as the tenure of policy support measures. The recovery is being threatened by supply-chain disruptions and logistical obstacles affecting shipping markets and driving up costs.

The COVID-19 disruption enhanced pre-existing megatrends - geopolitical, technological, and environmental - evolving over time but increased during the pandemic:

**Geopolitics:** The COVID-19 health crisis connected nations economically and socially through global supply chains and intrinsic maritime transport networks. Due to increased geopolitical risks and heightened trade tensions, countries and enterprises now recognize global interdependency as probable vulnerability, aiming to moderate their dependence on distant foreign suppliers.

**Resilience:** The COVID-19 disruption stressed supply chains and business models with transport and logistics networks under pressure. Enterprises and governments intend to make supply chains resilient by diversifying their business partners and suppliers. This could create a fresh balance between local, regional and global production. They are re-evaluating inventory and stock management strategies and the trade-offs between just-in-time and just-in-case supply chain models.

**Technology:** Customs officials, port workers, and transport operators realized the value of digitalization, comprising advanced analytics, on-board sensors, communications technology, port-call optimization, block chains, big data and autonomous ships/vehicles. Technological advances have also influenced online consumer spending, which is expected to reinvent production and consumption patterns.

**Shipping market dynamics:** Due to probable disruptions, carriers, shippers, ports and inland transport operators could re-evaluate operating models to enhance flexibility.

**Decarbonization:** Maritime transport faces increased pressure to decarbonize. Shipping is expected to change its fuel mix; it could change ship design to reduce carbon and environmental footprint. The industry is expected to respond to a reduced demand for oil tankers and coal carriers and deploy more ships for transporting hydrogen, ammonia and alternative fuels.

**Climate adaptation:** Maritime transport infrastructure and services received acute stress due to the pandemic and the closure of the Suez Canal. This was ancillary to the present dangers of climate change. Extreme weather events enhanced disruptions for coastal infrastructure and hinterland connections. As the present weather estimates are inclined towards surpassing the agreed targets under the Paris Agreement, the maritime industry and governments need to infuse funds to adapt and climate-proof maritime transport infrastructure and services, while increasing the development of related legal, policy or technical measures and capacity building. (Source: UNCTAD)

### **Indian ports sector review**

EXIM trade between various nations drives economic growth. Ports are the entry points for EXIM trade and play a vital part in India's international trade. According to the Ministry of Shipping, around 95% of the nation's trade by volume and 70% by value are transported through maritime transport. In line with the fragile growth in EXIM trade, India's port volumes have not been strong. In spite of the headwind growth potential of cargo volumes, Indian ports reported extraordinary growth.

During FY22, cargo traffic at India's 12 major ports grew by 7.2% to 720.3 MMT from 671.8 MMT in FY21. EXIM cargo at major ports increased by 5.0% from 524.0 MMT in FY21 to 550.1 MMT in FY22. Coastal cargo handled at major ports grew by 15.2% from 147.8 MMT in FY21 to 170.2 MMT during FY22.

Cargo traffic at non-major ports during FY22 rose by 4.1% to 598.6 MMT from 575.0 MMT handled during FY21. Out of this, the EXIM cargo traffic handled at non-major ports increased by 1.7% to 508.6 MMT from 500.00 MMT in FY21. The coastal cargo traffic handled at non-major ports during FY22 increased by 20.0% to 90.0 MMT from 75.0 MMT in FY21.

### **Key ports performance**

Among major ports during FY22, Ennore port recorded the highest growth of 49.3% in traffic handled within the group of major ports followed by JNPT at 17.3%,

Mumbai port at 12.3%, Chennai port at 11.5%, Cochin port at 9.7%, Kandla port at 8.7%, New Mangalore port at 7.7%, VOC port at 7.3% and Paradip port at 1.4%. Major ports including Mormugao port (16.0%), SMP Haldia dock (5.7%), Vizag port (1.2%) and SMP Kolkata (0.8%) recorded negative growth in cargo traffic during FY22 over FY21.

Amongst the major ports, Kandla port handled the maximum cargo of 127.8 MMT with a share of 17.7% closely followed by Paradip port at 16.1%, JNPT at 10.6%, Vizag port at 9.6%, Mumbai port at 8.3%, Chennai port at 6.7%, SMP Haldia dock at 6.0%, NMPT at 5.5%, Ennore port at 5.4%, Cochin port at 4.8%, VOC port at 4.7%, Mormugao port at 2.6% and SMP Kolkata at 2.1% during FY22.

Amongst the leading ports, Paradip port handled the maximum coastal cargo of 41.8 MMT with a share of 24.5% followed by Mumbai port at 14.2%, Vizag port at 12.4%, Ennore port at 9.6%, Deendayal port at 8.9%, Cochin port at 7.0%, VOC port at 6.2%, New Mangalore port at 5.8%, Chennai port at 4.2%, SMP Haldia at 3.4%, JNPT at 2.4%, Mormugao port at 1.2% and SMP Kolkata at 0.2% during FY22.

At a broad commodity level, food grain excluding pulses recorded the highest growth in cargo throughput during FY22 at 169.9% followed by pulses at 148.7%, other ores at 52.2%, project cargo at 35.3%, thermal coal at 26.0%, container at 16.1%, POL-products at 12.9%, FRM-cry at 12.7%, edible oil at 12.4%, other commodities at 11.4%, LPG/LNG at 7.1%, POL-crude at 5.9%, other coal at 4.4%, iron & steel at 3.5% and FRM-liquid at 3.4%. Fertilizers recorded the

most negative growth of 29.6% followed by iron ore pellets/fine at 28.2%, cement at 14.2%, sugar at 13.6% and coking coal at 8.5% in FY22.

For non-major ports, among the State Maritime/ State Directorate, Gujarat Maritime Board handled the maximum cargo of 404.9 MMT with a share of 67.6% followed by Andhra Pradesh Maritime Board at 14.7%, Maharashtra Maritime Board at 8.0%, Directorate of Ports, Odisha at 6.9% part from Tamil Nadu Maritime Board at 1.3%, Directorate of Ports, Puducherry at 1.0%, A&N Islands at 0.3% and Directorate of Ports Karnataka and Kerala Maritime Board at 0.1% each in FY22.

For non-major ports during FY22, food grains excluding pulses record highest growth of 56.6% followed by building material at 36.6%, sugar at 20.9%, project cargo at 20.1%, other coal at 14.7%, iron and steel at 12.6%, FRM dry at 12.1%, coking coal at 9.1%, other commodities at 9.0%, POL products at 8.0%, POL crude at 7.1%, containers at 6.8%, cement at 5.5% and iron ore at 0.8%. Thermal coal recorded highest negative growth of 33.9% in traffic during FY22 followed by other ores at 28.1%, pulses at 17.7%, FRM liquid at 14.4%, LPG or LNG at 12.6%, edible oil at 6.7% and fertilizer at 0.8% over FY21.

Cargo throughput at all Indian ports (major and non-major) in FY22 was 1319 MMT, a growth of 5.8% over 1246 MMT in FY21. Of this, EXIM cargo grew 3.4%, from 1024 MMT in FY21 to 1059 MMT during FY22. Coastal cargo in FY22 grew 17.0%, from 222.5 MMT in FY21 to 260 MMT in FY22.

### Trends in all India cargo handling (2017-22)

All India Cargo (in MMT)		FY17	FY18	FY19	FY20	FY21	FY22	CAGR
Major ports	EXIM	514.1	524.7	532.8	537.8	524.1	550.1	1.4%
	Coastal	134.4	154.7	166.4	166.7	147.7	170.2	4.8%
	<b>Total</b>	<b>648.5</b>	<b>679.5</b>	<b>699.2</b>	<b>704.6</b>	<b>671.8</b>	<b>720.3</b>	<b>2.1%</b>
Non-major ports	EXIM	418.5	450.8	486.3	522.6	500.0	508.6	4.0%
	Coastal	66.7	78.3	96.3	90.6	75.0	90.0	6.2%
	<b>Total</b>	<b>485.2</b>	<b>529.1</b>	<b>582.6</b>	<b>613.2</b>	<b>575.0</b>	<b>598.6</b>	<b>4.3%</b>
All India ports	EXIM	932.6	975.5	1019.1	1060.4	1023.7	1058.6	2.6%
	Coastal	201.1	233.0	262.7	257.3	222.5	260.3	5.3%
	<b>Total</b>	<b>1133.7</b>	<b>1208.6</b>	<b>1281.8</b>	<b>1317.7</b>	<b>1246.2</b>	<b>1318.9</b>	<b>3.1%</b>

Source: Transport Research Wing (TRW), Ministry of Ports, Shipping and Waterways, Government of India

At pan-India level, food grains recorded the highest growth in cargo handling at 104.6% followed by project cargo at 31.7%, other minerals at 26.3%, containers at 12.2%, POL products at 10.2%, other cargos at 9.0%, thermal and other coal at 7.8%, edible oil at 7.5%, iron and steel at 7.0% and crude at 6.4%.

#### Trends in all India commodity-wise cargo handling (2017-22)

Commodity (in MMT)	Major ports		Non-major ports		All-India ports	
	FY21	FY22	FY21	FY22	FY21	FY22
POL crude	136.6	144.6	84.3	90.3	220.9	234.9
POL products	54.1	61.0	67.2	72.6	121.2	133.6
LPG or LNG	14.7	15.7	25.2	22.0	39.8	37.7
Edible-oil	10.0	11.2	3.4	3.2	13.4	14.4
Iron ore pellets / fine	71.4	51.3	41.6	42.0	113.0	93.2
Other minerals	5.3	8.1	2.5	1.8	7.8	9.9
Thermal and other coal	94.6	114.2	110.9	107.3	205.5	221.5
Coking coal	37.3	34.1	33.8	36.8	71.0	71.0
Fertilizers and FRM	24.1	22.2	15.1	14.8	39.2	37.0
Foodgrain	2.7	7.2	3.2	4.8	5.9	12.0
Iron and steel	11.0	11.4	6.6	7.5	17.6	18.9
Project cargo	0.6	0.8	0.2	0.2	0.8	1.1
Container (tonnes)	143.7	166.9	105.0	112.2	248.7	279.0
Container (mTEUs*)	9.6	11.2	8.0	8.3	17.6	19.5
Others	65.9	71.6	76.1	83.2	142.0	154.7
<b>Total</b>	<b>671.8</b>	<b>720.3</b>	<b>575.0</b>	<b>598.6</b>	<b>1246.9</b>	<b>1318.9</b>

Source: Transport Research Wing (TRW), Ministry of Ports, Shipping and Waterways, Government of India

**Mechanisation and efficiency:** The ports industry is witnessing rapid transformation due to increased priority in efficiency and mechanisation. Along with non-major ports, key ports are also concentrating on efficiency improvements. The Sagarmala program is a prime initiative in this direction for major ports.

**Capacity utilisation at key ports:** Capacity utilisation at key ports is witnessing a downward trajectory over a period of time. In FY22, capacity at major ports stood at around 49 MTPA.

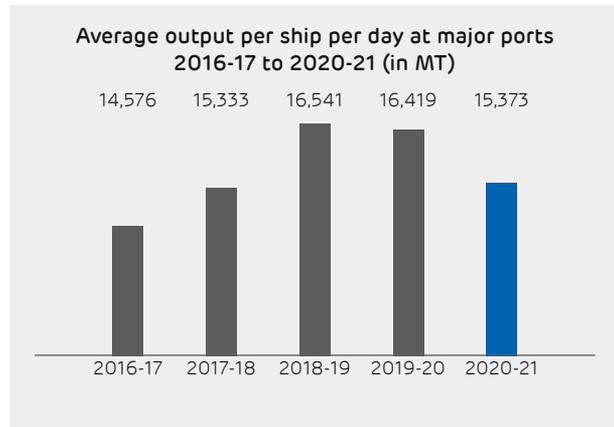
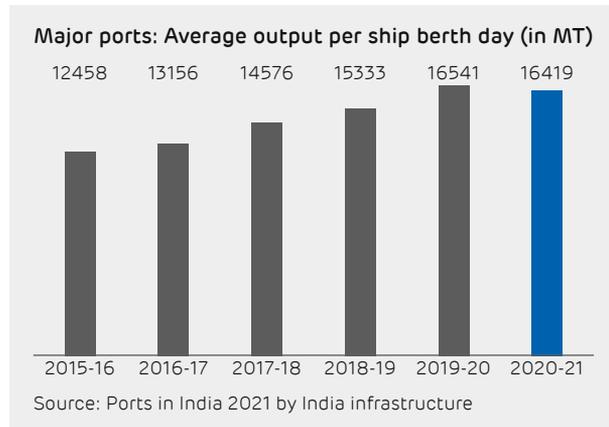
#### Key ports: Capacity utilisation

Year	Capacity utilisation in (%)
FY2014-15	67
FY2015-16	63
FY2016-17	61
FY2017-18	47
FY2018-19	48
FY2019-20	48
FY2020-21	49
FY2021-22	49

Source: Ports in India 2022 by India infrastructure and MakeinIndia.com, internal estimates

**Average output per ship berth day in tonnes at major ports:** Technological advancements and increased efficiency at key ports under the Sagarmala initiative (project UNNATI) enabled key ports to increase efficiency in berth productivity. On an average, output per ship berth day witnessed substantial growth from 12,458 Tonnes in FY 2014-15 to 17,476 Tonnes in May 2022.

#### Major ports: Average output per ship berth day (in MT)



#### Prospects of the Indian ports sector

- The Covid-19 outbreak offers an opportunity for the Indian ports sector as companies shift their plants from China to less-developed countries, generating a new wave of industrialization.
- The extension of the manufacturing hub associated with global supply chains could enhance demand for the ports sector industry for cargo commodities like iron ore and fertilizers. Iron ore and finished fertilizers shipments have seen a growing trend, ensuring that major ports tide over decreasing volumes in coal and miscellaneous cargo.
- The Union Government permitted Foreign Direct Investment (FDI) of up to 100% under the automatic route for port and harbour construction and maintenance projects.
- New business opportunities are being generated in the natural gas segment and managing of container traffic at the domestic level.
- Better rural connectivity, port advancements, moderation of logistics costs and lower turnaround time are anticipated to enhance revenues.

- Increasing demand for port infrastructure owing to rising import (crude/coal) and containerization could make public ports inadequate, an opportunity for private ports.
- Operation and maintenance services such as pilotage, dredging, harbouring and provision of marine assessments such as barges and dredgers are anticipated to grow. Growing investment and cargo traffic marks a healthy prospect for port support services.

#### Government initiatives

The Indian government undertook various initiatives to improve infrastructure development linked to ports, vital to fulfill growing trade requirements.

Gati Shakti National Master Plan for multimodal connectivity will provide integrated and seamless connectivity for the movement of people, goods and services from one mode of transport to another.

Objective of GCT Policy	⇒	Boost investment from industry in development of additional terminals for handling rail cargos
	⇒	To promote proliferation of new cargo terminals and improve existing cargo terminals for accelerating the growth in railways' cargo traffic.
New terminals	⇒	All new as well as under-construction/under-approval cargo terminals covered by this 'Gati-Shakti Multi Modal Cargo Terminal GCT Policy'.
Existing Terminals	⇒	Existing siding/terminals can also migrate to this new GCT Policy by submitting requests to the division.

**Key aspects of the Gati Shakti policy for terminals**

Key aspects					
Commodities permitted	Provision of weighbridge	Installation of FOIS and TMS	C & W maintenance facilities	Engine-on-land (EOL) scheme	Charging of commercial staff
Can handle all traffic including coal and coke.	All GCT planning to deal with outward cargo (loading) shall have a provision of Electronic in-motion Weighbridge (EIMWB)	FOIS and TMS with limited access as prescribed by Indian railways shall be installed at the GCT at the cost of GCTO. All RRs will be prepared through TMS. Complete maintenance of FOIS and TMS will be done by the railways at its own cost.	Normally C & W facilities shall not be constructed at GCTs. If C & W facilities are required at any GCT, only one-time capital cost for setting up these facilities shall be borne by the GCTO.	All new GCTs shall be set up on charging on through distance basis as per the instructions contained in Rates Master Circular on Freight on Through Distance Basis issued on 24.09.2014.	No cost of commercial staff will be charged from the GCTO from the date of issue of this policy. For existing terminals where the cost of commercial staff has already been deposited by the GCTO, there shall be no refund.

**Maritime India Vision (MIV) 2030:** Maritime India Vision 2030 was prepared by the Ministry of Ports, Shipping and Waterways, with the goal of graduating India to leadership in the global maritime sector. Over 150 initiatives, encompassing 515 major activities across 10 themes, covering all the aspects of maritime

sector, were recognized.

MIV 2030 foresees a comprehensive investment of ₹3,00,000 - 3,50,000 crore across the ports, shipping, and inland waterways categories (Sagarmala Project excluded from this amount). This vision is expected to unlock ₹20,000+ crore potential annual port revenue.

**Model Concession Agreement:** The Ministry of Ports, Shipping and Waterways issued a revised Model Concession Agreement in November 2021 to attract PPP projects and enhance PPP operator flexibility.

**Maritime India Summit, 2021:** On March 2021, The Prime Minister inaugurated the Maritime India Summit 2021; 486 MoUs were signed by 22 Maritime Ports/Agencies/Authorities for ₹3.39 lakh crore or USD 47.02 Billion across sub sectors.

**Major Ports Bill:** Major Ports Authorities Bill 2020 (Bill 2020) facilitates quicker decision making, benefitting stakeholders and improved project implementation. The Bill 2020 envisions rebuilding the governance model in central ports to the landlord port model conforming with successful global practice. The key characteristics of the Bill 2020 are as follows:

- The decision-making process is to be decentralized.
- The port authorities are able to fix their tariffs, acting as a reference tariff for the purposes of bidding for public-private partnership (PPP) projects.
- The PPP operators are free to fix tariffs based on market fluctuations.

- Autonomy in the creation of a port masterplan (independent from ULB).

**Sagarmala Pariyojana:** Launched in 2015, Sagarmala Pariyojana aims at improving the performance of the logistics sector in India by establishing new mega ports, initiating modern advancements of existing ports and creating 14 Coastal Employment Zones (CEZs) and Coastal Employment Units. The objective of Sagarmala project is to achieve port modernization and new port development, port connectivity enhancement, port-led industrialization and coastal community development. On the seventh anniversary of Sagarmala project, government announced that it has identified a total of 802 projects (123 under the PPP framework) under the program at an estimated cost of ₹5.48 lakh crore. The government executed 194 projects worth ₹99,000 crore under the project till now of which 29 were under PPP framework. During the remaining tenure of the current government, it aims to complete 218 on-going projects worth ₹2.1 lakh crore of which 31 are under the PPP framework. Projects under the PPP model are to be executed at an estimated cost of ₹50,000 crore.

Stage	Amount (₹ crore)	Number of projects	Number of PPP
Completed	99,000	194	29
In progress	212,801	218	31
Sanctioned	104,947	157	13
Detailed project report	56,429	138	25
Under concept	76,004	95	25
<b>Total</b>	<b>549,181</b>	<b>802</b>	<b>123</b>

Source: Ministry of Ports, Shipping, and Waterways

By 2024, more than half of Sagarmala projects in numbers and in value would have been completed. Over the next stage of Sagarmala, the government is targeting to build 14 new ports worth ₹1.25 lakh crore.

**Digitization of ports:** Major steps have been taken at the key ports towards the digitization of major EXIM processes. The government digitized processes such as Electronic Invoice (e-Invoice), Electronic Payment (e-Payment) and Electronic Delivery Order (e-DO) for physical release of cargo by custodians. Moreover, the process of generation of electronic Bill of Lading (e-BL) and enabling the Letter of Credit (LC) process to be conducted digitally have already been implemented. Complete integration is expected to

be established between PCS 1x (a cloud based new generation technology) and Indian Customs EDI Gateway (ICEGATE). Moreover, the Radio Frequency Identification Device (RFID) solution has been executed at all key ports to ensure uninterrupted movement of traffic across port gates, comprising significant moderation in documentation checks. An Enterprise Business System (EBS) has been set up at 5 key ports (Mumbai, Chennai, Deendayal, Paradip and Kolkata, including Haldia Port, with an estimated outlay of ₹320 crore) to offer a digital port ecosystem that will adopt leading international practices without losing alignment with local needs. A total of 2474 processes were standardized to arrive at a final redesigned process count of 162 processes.

**Dedicated freight corridor:** The Ministry of Railways is executing the Dedicated Freight Corridor (DFC) project under which it aims to commence financial planning and development, mobilisation of financial resources and construction, maintenance and operation of the rail corridors dedicated for freight transportation across the country. The primary mission of the Dedicated Freight Corridor Corporation of India Ltd. comprises:

- Constructing a corridor with relevant technology that enables Indian railways to recapture their market share of freight transport by developing additional capacity and ensuring effective, dependable, secured and economical options for mobility to their customers.
- Building multimodal logistic parks along the DFC to offer comprehensive transport solution to customers; and
- Supporting the Government's initiatives toward ecological sustainability by promoting users to adopt railways as the most environmentally friendly mode for their transport requirements.

The project includes two corridors, the Eastern Corridor and Western Corridor. The two routes encompass 3,360 kilometers with the Eastern DFC extending from Ludhiana in Punjab to Dankuni in West Bengal and the Western DFC from Jawaharlal Nehru Port in Mumbai to Dadri in Uttar Pradesh.

**Tariff Authority for major ports:** On July 11, 2019, The Tariff Authority for major ports generated fresh guidelines for the execution of Tariff Policy, 2019

**LNG facility at major ports:** On March 2019, Ministry of Shipping (MoS) issued guidelines for setting up

a floating storage regasification unit for operating liquefied natural gas at key ports.

**Ship Recycling Bill:** In December 2019, the Hon'ble President of India gave the consent on the Recycling of Ships Bill 2019. This outlines vast business opportunities to Indian ship recyclers (green ship recycling yards) as per the Hong Kong ship recycling convention.

**Gujarat Revised Port Policy:** The Gujarat government declared a fresh ports policy to offer benefits to the current and prospective jetties players and other players. According to the new policy, 32 operational captive jetties were allowed to handle third-party cargo. They were also permitted to increase the number of cargo handling facilities and enhance and up-grade their jetties as well. Captive jetty holders were permitted to handle the cargo of other companies by giving double wharfage charges.

**Jal Marg Vikas Project (JMVP) on NW-1:** The Indian government is executing the Jal Marg Vikas Project at an estimated outlay of ₹5369.18 crore for increasing navigation capacity on the National Waterway -1 (NW-1) on the Haldia–Varanasi stretch of Ganga-Bhagirathi-Hooghly River System with the guidelines and economic aid offered by the World Bank. The project is expected to be completed in FY23.

**Free Trade Warehousing Zones (FTWZs):** The Indian government allowed up to 100% FDI in the creation and development of free trade warehousing zones in their infrastructure facilities

**Tax holiday:** The Indian government provided a 10-year tax holiday to enterprises that develop, maintain and operate ports, inland waterways and inland ports.

Niti Aayog's Export Preparedness Index (EPI) 2021 evaluates states on different parameters of export preparedness and suggests remedial measures. Evaluation is based on four main pillars of export policy, business ecosystem, export ecosystem and export performance and is broken down into 11 sub-pillars, such as export promotion policy, infrastructure, transport connectivity and business environment.

Top five states as per 2021 survey include Gujarat, Maharashtra, Karnataka, Tamil Nadu followed by Haryana. Top states in the four main pillars are: Madhya Pradesh for export policy, Delhi for business ecosystem, and Gujarat for export ecosystem and export performance.

Roles of states are important in the export policy framework. Top six states in India, including Maharashtra, Gujarat, Karnataka, Tamil Nadu, and Telangana, contribute 75% of India's overall exports on an OD basis. Niti Aayog suggested States to design strategies in capitalizing on India's comparative advantage in low-skill manufacturing exports and drawing up a roadmap for future so that they are ready to leverage the effectiveness of FTAs/RTAs under upcoming foreign trade policy.

Rank	States	EPI Score
1	Gujarat	78.9
2	Maharashtra	77.1
3	Karnataka	61.7
4	Tamil Nadu	56.8
5	Haryana	53.2
6	Uttar Pradesh	51.1
7	Madhya Pradesh	51.0
8	Punjab	51.0
9	Andhra Pradesh	50.4
10	Telangana	47.9

Rank	States	EPI Score
11	Rajasthan	47.1
12	Delhi	43.7
13	Odisha	42.0
14	Goa	42.0
15	Assam	41.6
16	Kerala	40.9
17	Uttarakhand	40.8
18	Himachal Pradesh	40.4
19	West Bengal	39.8

### Way forward

The ports sector catalyzes socio-economic transformation. The industry witnessed substantial transformation following new policies, amendments to existing policies, growth in cargo traffic, surge in private participation and creation of greenfield ports.

### Logistics industry

The logistics industry is fragmented, controlled by unorganised players. Organised players contribute approximately 10% of the total logistics market share. The logistics industry requires substantial investments due to its large customer base. An enunciated logistics policy is required to accelerate approvals, coordination with multiple agencies

leading to a tech-driven approach that strengthens India's logistics sector.

### Opportunities

#### Strategic monetisation by Government of India

The total estimated capex of 31 identified port projects considered for monetisation was estimated at ₹14,483 crore for FY 2022-25. Out of 31 projects, 13 projects with an expected capex of ₹6,924 crore was envisioned to be tendered in FY 2022, followed by another 10 projects with an expected capex of ₹4,680 crore are envisaged to be tendered out in FY 2023.

(Source: niti.gov.in)

### Port projects to be monetised, FY22-FY25

Sl. No.	Port	Total no. of projects	FY22	FY23	FY24	FY25
1	Paradip port	4	2			2
2	Deendayal port	4	2	2		
3	JNPT (Mumbai)	3	1	2		
4	Mormugao port	3	1	2		
5	Mumbai port		2			
6	Shyama Prasad Mukherji port Kolkata (Khidderpore)	4	1		1	2
7	Shyama Prasad Mukherji port Kolkata (Haldia)	3	1	1	1	
8	Visakhapatnam port	4	1	2	1	
9	V.O. Chidambaranar port (formerly Tuticorin)	3	2	1		
10	New Mangalore port	1				1
	<b>Total</b>	<b>31</b>	<b>13</b>	<b>10</b>	<b>3</b>	<b>5</b>

### Performance overview

During the year under review, the performance of the Company was promising. The Company dominated all phases; Mundra port retained its position as the largest commercial port in India, handling 150 MMT of cargo in FY22. The total cargo handled across all Adani ports was 312 MMT. Dry volume crossed 126 MMT, increasing 15% YOY and container volume reached 8.2 million TEUs, a growth of 14% YOY. The Company outperformed the industry and reported 14% growth in cargo volumes in FY22.

The performance of the other ports was as follows: Dhamra Port handled cargo of 33 MMT, growing 3% YOY; Ennore Port handled cargo of 7 MMT, growing 140% YOY; Tuna Port handled cargo of 7 MMT, with a degrowth 3% YOY; Hazira Port handled cargo of 25 MMT, growing 13% YOY; Krishnapatnam port handled cargo of 40 MMT, growing 5% YOY (considering last year full cargo); Murmugao Port handled cargo of 4 MMT, growing 8% YOY and Kattupalli port handled a cargo of 7 MMT, degrowing 16% YOY.

### Operational highlights

#### Port business

- APSEZ continued to outperform the market during the year under review. During FY22, it handled 312 MMT of cargo versus 247 MMT in FY21, registering a growth of 26% compared to a 5% growth in all-India cargo volume.
- The growth in cargo volume was led by dry cargo (+42% increase), followed by containers (+14%), and liquids (+19%).
- In the container segment, APSEZ continued its growth journey and handled 8.2 million TEU's, implying a growth of 14% versus 11% growth achieved at all-India container volume.
- APSEZ continued to focus on achieving east coast versus west coast parity. Cargo volumes on the eastern ports grew by 84% and those on the west grew by 6%, improving the cargo ratio between the west coast and east coast to 62:38 (from 74:26 earlier).
- Non-Mundra ports in the portfolio grew faster and contributed 52% to the cargo basket, growing by 10%.
- Mundra continued to be the largest container handling port with 6.5 million TEUs which was 0.83 million TEUs higher than JNPT.

#### Logistics business

- ALL, the largest and most diversified private rail

operator in India, registered a 29% growth in rail volume to 403,737 TEUs and a 19% growth in terminal volume to 301,483 TEUs.

- ALL expanded its rolling stock and added 14 new bulk rakes under the GPWIS scheme, taking the total number of rakes to 75.
- In the warehousing segment, ALL added 0.43 million sq. ft. during the period which was a growth of 108%

### Financial highlights

#### Revenue

- Consolidated revenue (excluding Gangavaram) grew by 27% to ₹15,934 crore on the back of well-rounded growth registered by three key business segments - port, logistics and SEZ.
- Cargo volume growth, improved realization, and addition of SRCPL enabled port revenue increase of 21% to ₹12,964 crore
- Revenue from the logistics business stood at ₹1,208 crore, a growth of 26% on account of improving container and terminal traffic with an increase in available rolling stock, both for container and bulk cargo.

#### EBITDA

- Consolidated EBITDA grew by 22% to ₹9,811 crore on the back of a 27% growth in revenue.
- Port EBITDA grew 21% to ₹9,120 crore on the back of growth in port revenues.
- Logistics business EBITDA grew by 41% and the margin expanded by 283 bps to 26%. This was aided by cargo diversification, elimination of loss-making routes and operational efficiency measures.

#### Balance Sheet and cash flow

- FY22 net debt-to-EBITDA stood at 3.4x, within the guided range of 3-3.5x. After adding the Gangavaram port, the EBITDA ratio would be 3.0x.
- Free cash flow from operations after adjusting working capital changes, capex and net interest cost was ₹5,261 crore compared to ₹5,800 crore in FY21. This was due to capex increasing by ₹1,796 crore in FY22.
- Free cash flow of Gangavaram Port in FY22 was ₹1,293 crore, including the opening cash balance of ₹637 crore.
- The Board recommended a dividend of ₹5 per share, a payout of around ₹1,056 crore, and 22% of the reported PAT.

## ESG highlights

- **Achievement against FY22 ESG targets:** On renewable share of electricity, emission intensity and water intensity, APSEZ outperformed its FY22 targets.
- **Progress on fuel switch:** Actions undertaken for changing the energy mix included electrification of RTGs and quay cranes, purchase of electric ITVs and some other equipment.
- **Progress on renewable energy sourcing:** While APSEZ added renewable generation capacities at select ports; the Company also discussed a larger tie-up for additional 350 MW of renewable capacity.
- **Carbon offsetting:** APSEZ enhanced its ambition for a new mangrove plantation to 2000 hectares, of which 250 Ha mangrove plantations was already completed.
- **Stakeholder engagements:** Different levels of engagement conducted with customers, employees, suppliers and communities on ESG-related matters ensured the adoption of best practices and global standards.
- **Net-zero planning process:** The Company is now formulating its net zero plan, which will be announced in the second half of the year. This was in line with the commitment made to the science based target initiative (SBTi).
- **Climate risk vulnerability assessment:** Based on the assessment performed, more vulnerable ports were identified and adaptation plans developed for implementation across these ports.

### Special economic zone

The cross-functional SEZ at Mundra remained the largest SEZ in India, with a current notified area of 8,282 hectares. Exports from Mundra SEZ up to March 2022 stood at ₹31,519 crore (cumulative). Mundra SEZ was expected to attract investments on account of its multi-modal connectivity.

In line with the 17 co-developers permitted by the Government of India for providing various infrastructure facilities as of March 31, 2022, 65 entities received permissions for setting up units in Mundra SEZ. The approach of cluster-based development attracted investments with a greater investment potential within the Mundra SEZ. An electronics manufacturing cluster, a textile park and a chemical cluster were developed in Mundra SEZ.

### Strategy

- Constant increase in shareholder yield, market leadership and growth, through improved capital

allotment, cargo diversification, long-term contracts, superior efficiency, increased capacity utilisation, creation of new capacities and ports network

- Emerge as a one-point customer centric transport utility across the port and hinterland with a pan-India integrated logistics footprint, widening the logistics portfolio into rail, logistics parks, warehouse, cold-storage, air freight stations, grain silos, inland waterways and trucking.
- Anchoring world-class facilities, skills, technology and digitised logistics value chain through visibility, analytics and automation.
- Dedicated to improve environment conservation, helping create a safe society through Environment, Social and Governance (ESG) and safety initiatives.

### Risks and concerns

APSEZ created an ERM framework for risk identification, assessment, evaluation and management. It identified risks, examined consequences, introduced mitigation strategies and implemented corrective actions. The scope of ERM framework at APSEZ was as follows:

**Strategic and economic risk:** Economic ambiguity, slowdown, government policies and excess concentration of business with few shipping lines / customers, geographical extension.

**Operational risk:** Penalty, theft of shipment, turnaround in dimension of cargo, damage to assets etc.

**Growth risk:** Acute global / domestic competition furnishing pricing & commercial terms to be inconsistent, clashing allied infrastructure, implementation of projects, M&A and integration.

**Reputational risk:** Cynical perspective of stakeholders due to any unforeseen event, accident / hazard.

**Profitability & liquidity risk:** Risk of forex fluctuations, interest rate, inability to procure funds at right cost, capital intensive & lofty incubation period projects etc.

**ESG risk:** Risks arising on account of increasing sea levels, natural calamities, fatalities and non-compliance to foreign standards of governance.

**Technology risk:** Data recovery, interruption in the operation of the system, cyber security breach, utilizing artificial intelligence and robotic-led process automation.

**People risk:** Retaining the existing promising talent and hiring new talent, labour strikes and excessive dependence on contractual workforce.

**Projects completion-related risks:** Regional crisis, pandemic, material and manpower availability issue.

The APSEZ Audit Committee evaluated the report on risk management on a quarterly basis and suggested corrective actions. The risk evaluation developed at APSEZ as per OHSAS 18001 standards was periodically evaluated when transformations in systems and processes occurred or any event took place. APSEZ is progressing in managing risks and threats through cargo diversification, strategic capacities, long-term customer contracts, increasing operational efficiencies, cost optimisation and integrated logistics services.

#### Human resource development

At APSEZ, people and culture represent our competitive advantage. Our human assets offered a superior proposition for customers. Enhanced businesses and new areas widened career opportunities. APSEZ offered a conducive work environment.

The organisation created capacities at three levels (organisation, team and individual). Related systems, processes and people management practices were continuously enhanced. The Company aimed to improve employee capabilities through relevant practices.

The Company's average employee age was 40, marked by youth, energy and dynamism. 85% of workforce

were engineers or specialized /professional degree holders. The Company motivated employees through continuous re-learning; improved performance was rewarded.

For the second year in a row, APSEZ has adjudged as Best Place to Work in Nation Builder Category. The organization offered its talent a superior career proposition, with a myriad of talent and capability building intervention. Empowerment in all prospects and decision-making nurtured professional growth, enhancing business responsiveness.

#### Financial overview

##### Consolidated financial performance

The Company recorded a total income of ₹18,089 crore during FY22 compared to ₹14,520 crore in the previous financial year.

The Company generated Earnings before Interest, Depreciation and Tax (EBIDTA) (excluding foreign exchange gain/loss) from operational income of ₹9,811 crore during FY22, compared to ₹8,063 crore in the previous year.

Profit before Tax (PBT) for FY22 stood at ₹6,292 crore. Net profit for FY 2021-22 was ₹4,795 crore compared to ₹5,049 crore in the previous financial year.

Total comprehensive income attributable to equity holders of the parent for FY 2021-22 was ₹4,652 crore, compared to ₹4,979 crore in the previous financial year.

Earnings per Share (EPS) stood at ₹22.39 on a face value of ₹2 each.

#### Key financial ratios and Return on Net Worth

The key financial ratios compared to the last financial year are as under:

Particulars	Current FY ended March 31, 2022	Previous FY ended March 31, 2021	Changes between current FY and previous FY
Debtors' Turnover	52	72	(28%)
Inventory Turnover	16	19	(16%)
Interest Coverage Ratio	4.69	4.41	6%
Current Ratio	1.57	2.07	(24%)
Debt Equity Ratio	1.04	1.06	(1%)
Operating Profit Margin (%)	61%	64%	(2%)
Net Profit Margin (%) or Sector-specific equivalent ratios, as applicable	27%	35%	(8%)
Return on Net Worth (%)	14%	17%	(4%)

**Notes:**

- a. The above ratios were based on Consolidated Financial Statements of the Company.
- b. Debtors' Turnover: Reduction in the Debtors' Turnover (Days) was on account of better realizations from customers.
- c. Definitions of ratios:
  1. Debtors' turnover: Average trade receivable by revenue from operations for the year.
  2. Inventory turnover: Average inventory by revenue from operations for the year.
  3. Interest coverage ratio: Total EBIDTA by finance cost for the year.
  4. Current ratio: Current assets by current liabilities (excluding current maturity of long-term borrowings).
  5. Debt-equity ratio: Total debt (excluding working capital borrowings) by total equity at the end of the year.
  6. Operating profit margin: Operating EBIDTA by operating revenue for the year.
  7. Net profit margin: Profit for the year by total income for the year.
  8. Return on average net worth: Profit for the year by average net worth for the year.
  9. Operating EBIDTA means operating income less operating expenses, employee costs and other/administrative expenses, excluding foreign exchange gain/loss.

**Internal control systems and their adequacy**

The Company has put in place strong internal control systems and best in class processes commensurate with its size and scale of operations.

There is a well-established multidisciplinary Management Audit & Assurance Services (MA&AS) that consists of professionally qualified accountants, engineers and SAP experienced executives who carry out audits through the year across all functional areas and submit reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operations and key processes risks.

Some key features of the Company's internal controls system comprised:

- Adequate documentation of policies and guidelines.
- Preparation & monitoring of Annual Budgets through monthly reviews of all operating & service functions.

- MA&AS department prepared Risk-Based Internal Audit scope with the frequency of audit being decided by risk ratings of areas / functions. Risk-based scope is discussed amongst MA&AS team, functional heads / process owners / CEO & CFO. The audit plan is formally reviewed and approved by Audit Committee of the Board.
- The entire internal audit processes are web-enabled and managed on-line by Audit Management System.
- The Company has a strong compliance management system, underpinned by an online monitoring system.
- The Company practices delegation of power with authority limits for approving revenue & capex expenditure
- The Company uses Enterprise Resource Planning (ERP) System (SAP) to record data for accounting, consolidation and management information purposes
- The Company engages external experts to conduct independent reviews of the effectiveness of business processes
- The Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

The Audit Committee reviews the execution of audit plan, adequacy and effectiveness of the internal audit systems; it monitors the implementation of internal audit recommendations, including those relating to strengthening the Company's risk management policies & systems.

**Cautionary statement**

The discussion hereunder covers the performance of APSEZ and its business outlook for the future. This outlook is based on assessment of the current business environment and government policies. The change in future economic and other developments is likely to cause a variation in this outlook. Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and others may constitute 'forward-looking statements' within the meaning of applicable securities, laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in the government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any control. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events or otherwise

# Corporate Governance Report

## 1. Company's philosophy on Corporate Governance

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. Adani Ports and Special Economic Zone Ltd. ("Company"/ "APSEZ") is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community, investors and the Government.

**Courage, Trust and Commitment** are the main tenets of our Corporate Governance Philosophy:

**Courage:** We shall embrace new ideas and businesses.

**Trust:** We shall believe in our employees and other stakeholders.

**Commitment:** We shall stand by our promises and adhere to high standard of business.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

## 2. Board of Directors ("Board")

The Board, being the trustee of the Company, is

responsible for the establishment of cultural, ethical, sustainable and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board is at the helm of the Company's Corporate Governance practice. It provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

### Composition of the Board:

The Company has a balanced Board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

The Board currently comprises of 10 (ten) Directors out of which 2 (two) Directors are Executive Directors, 3 (three) are Non-Executive, Non-Independent Directors and remaining 5 (five) are Independent Directors. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations.

The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act.

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The Independent Directors have included their names in the data bank of Independent Directors maintained

with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

No Director is related to each other except Mr. Gautam S. Adani and Mr. Rajesh S. Adani, who are related to each other as brothers and Mr. Karan Adani who is son of Mr. Gautam S. Adani.

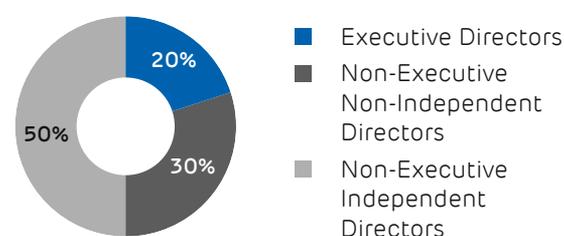
In compliance with Regulation 26 of the SEBI Listing Regulations, none of the Directors is a Director of more than 10 (ten) companies or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Company's Board is a member of more than 10 (ten) committees and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies.

The composition of the Board is in conformity with

the Regulation 17 of the SEBI Listing Regulations, which requires that for a company with a chairman, who is a promoter, at least half of the board shall consist of independent directors and the board of directors of the top 1,000 listed companies, effective 1<sup>st</sup> April, 2020, shall have at least one independent woman director.

The composition of Board as on 31<sup>st</sup> March, 2022.

#### Board Composition



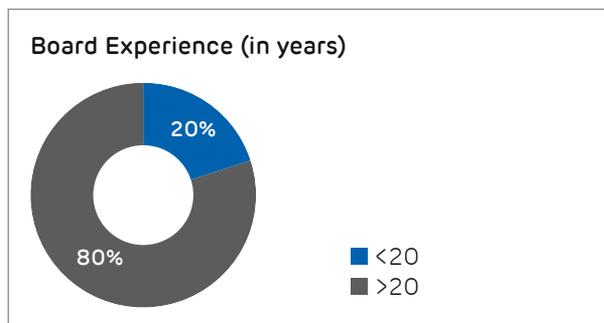
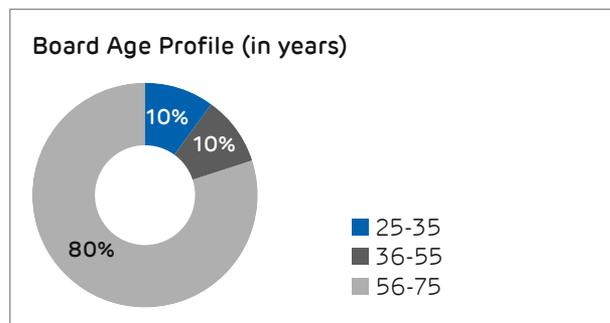
The details of the Board of Directors and the number of other Directorship and Committee positions held by them as on 31<sup>st</sup> March, 2022, are as under:

Name, Designation & DIN of Director	Age & Date of Appointment	Category of Directorship	No. of other Directorship held <sup>1</sup> (other than APSEZL)	Details of Committee <sup>2</sup> (other than APSEZL)	
				Chairman	Member
Mr. Gautam S. Adani, <i>Chairman &amp; Managing Director</i> DIN: 00006273	59 years, 26-05-1998	Promoter & Executive	5	-	-
Mr. Rajesh S. Adani, <i>Director</i> DIN: 00006322	57 years, 26-05-1998	Promoter & Non-Executive	5	-	3
Dr. Malay Mahadevia, <i>Director</i> DIN: 00064110	58 years, 20-05-2009	Non-Executive	5	-	-
Mr. Karan Adani, <i>Whole-Time Director &amp; CEO</i> DIN: 03088095	35 years, 24-05-2017	Executive	8	-	-
Mrs. Avantika Singh Aulakh, IAS, <i>Director</i> DIN: 07549438	41 years, 15-09-2020	Non-Independent & Non-Executive	9	-	1
Prof. G. Raghuram, <i>Director</i> DIN: 01099026	66 years, 09-08-2014	Independent & Non-Executive	2	-	-

Name, Designation & DIN of Director	Age & Date of Appointment	Category of Directorship	No. of other Directorship held <sup>1</sup> (other than APSEZL)	Details of Committee <sup>2</sup> (other than APSEZL)	
				Chairman	Member
Mr. G. K. Pillai, <i>Director</i> DIN: 02340756	72 years, 09-08-2014	Independent & Non-Executive	1	-	1
Mr. Bharat Sheth, <i>Director</i> DIN: 00022102	64 years, 15-10-2019	Independent & Non-Executive	2	-	1
Mrs. Nirupama Rao, <i>Director</i> DIN: 06954879	71 years, 22-04-2019	Independent & Non-Executive	3	-	1
Mr. P.S. Jayakumar, <i>Director</i> DIN: 01173236	59 years, 23-07-2020	Independent & Non-Executive	8	4	3

<sup>1</sup>Excluding private limited companies, which are not the subsidiaries of public limited companies, foreign companies, Section 8 companies and alternate directorships.

<sup>2</sup>Includes only Audit Committee and Stakeholders' Relationship Committee.



Profiles of the Directors is available on the website of the Company at <https://www.adaniports.com/About-us/Board-of-Directors>

Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship, as on 31<sup>st</sup> March, 2022, are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Gautam S. Adani, DIN: 00006273	Adani Enterprises Ltd.	Promoter & Executive
	Adani Transmission Ltd.	Promoter & Executive
	Adani Total Gas Ltd.	Promoter, Non-Executive
	Adani Power Ltd.	Promoter, Non-Executive
	Adani Green Energy Ltd.	Promoter, Non-Executive

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Rajesh S. Adani, DIN: 00006322	Adani Enterprises Ltd.	Promoter & Executive
	Adani Transmission Ltd.	Promoter & Executive
	Adani Power Ltd.	Promoter, Non-Executive
	Adani Green Energy Ltd.	Promoter, Non-Executive
Dr. Malay Mahadevia, DIN: 00064110	Adani Wilmar Ltd.	Non-Executive & Non-Independent
Mr. Karan Adani, DIN: 03088095	-	-
Mrs. Avantika Singh Aulakh, IAS DIN: 07549438	Gujarat Pipavav Port Ltd.	Non-Executive & Nominee
Prof. G. Raghuram, DIN: 01099026	Commercial Engineers & Body Builders Co Ltd.	Non-Executive & Independent
Mr. G. K. Pillai, DIN: 02340756	-	-
Mr. Bharat Sheth, DIN: 00022102	The Great Eastern Shipping Company Ltd.	Promoter, Executive & Managing Director
Mrs. Nirupama Rao, DIN: 06954879	ITC Ltd.	Non-Executive & Independent
	KEC International Ltd.	Non-Executive & Independent
	JSW Steel Ltd.	Non-Executive & Independent
Mr. P.S. Jayakumar, DIN: 01173236	JM Financial Ltd.	Non-Executive & Independent
	CG Power and Industrial Solutions Ltd.	Non-Executive & Independent
	HT Media Ltd.	Non-Executive & Independent

#### Board Meeting and Procedure:

The internal guidelines for Board / Committee meetings facilitate the decision-making process at the meetings of the Board/Committees in an informed and efficient manner.

The Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary, in consultation with the Senior Management, prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information are circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In

special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering finance and operations of the Company, terms of reference of the Committees, global business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before

taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board /

Committee, for noting by the Board/Committee.

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted, all the Board/ Committee meetings in FY 2021-22 were held through video conferencing.

During the year under review, Board met eight times i.e: on 1<sup>st</sup> April, 2021, 4<sup>th</sup> May, 2021, 14<sup>th</sup> July, 2021, 3<sup>rd</sup> August, 2021, 18<sup>th</sup> September, 2021, 22<sup>nd</sup> September, 2021, 27<sup>th</sup> October, 2021 and 1<sup>st</sup> February, 2022. The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings and at the AGM held on 12<sup>th</sup> July, 2021, are as under:

Name of Director	No. of Meetings			Attendance at last AGM	% of attendance
	Held during the tenure	Attended			
		Quarterly Results	Other Matters		
Mr. Gautam S. Adani	8	4	-	Yes	50
Mr. Rajesh S. Adani	8	3	-	Yes	38
Dr. Malay Mahadevia	8	3	4	No	88
Mr. Karan Adani	8	4	4	Yes	100
Prof. G. Raghuram	8	4	4	Yes	100
Mr. G. K. Pillai	8	4	4	Yes	100
Mr. Bharat Sheth	8	4	3	Yes	88
Mrs. Nirupama Rao	8	3	4	Yes	88
Mr. P. S. Jayakumar	8	4	4	Yes	100
Mrs. Avantika Singh Aulakh, IAS	8	1	-	No	13

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10(j) of schedule V of the SEBI Listing Regulations

#### Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.

Risk Management	Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Global Experience	Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition	Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the Company's strategy and evaluate operational integration plans.
Corporate Governance & ESG	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the Company and protecting stakeholder's interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data centre, data security etc.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted.

Name of Director	Areas of Skills/ Expertise						
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology & Innovation
Mr. Gautam S. Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Rajesh S. Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Karan Adani	✓	✓	✓	✓	✓	✓	✓
Dr. Malay Mahadevia	✓	✓	✓	✓	✓	✓	✓
Mrs. Avantika Singh Aulakh, IAS	✓	-	✓	-	-	-	-
Prof. G. Raghuram	✓	✓	✓	✓	✓	✓	✓
Mr. G. K. Pillai	✓	✓	✓	-	✓	-	✓
Mr. Bharat Sheth	✓	-	✓	✓	✓	-	-
Mrs. Nirupama Rao	✓	-	-	✓	✓	-	✓
Mr. P. S. Jayakumar	✓	✓	✓	✓	✓	✓	✓

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

#### Directors' selection, appointment, induction and familiarisation:

As per the delegation given by the Board to the Nomination and Remuneration Committee (NRC) of the Company, consisting exclusively of independent directors, the NRC screens and selects the suitable candidates, based on the defined criteria and makes recommendations to the Board on the induction of new directors. The Board appoints the director, subject to the shareholders' approval.

All new directors are taken through a detailed induction and familiarization program when they join the Board of the Company. The induction program is

exhaustive covering the history and culture of Adani Group, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Deep dives and immersion sessions are conducted by senior executives on their respective ports/business units. Key aspects that are covered in these sessions include:

- Industry / market trends
- Company's operations including those of major subsidiaries

- Growth Strategy
- ESG Strategy and performance

#### Meeting of Independent Directors:

The Independent Directors met on 12<sup>th</sup> March 2022, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### Confirmation as regards independence of Independent Directors:

In the opinion of the Board, all the existing Independent Directors and the one who are proposed to be appointed/ re-appointed at the AGM, fulfil the conditions specified in the SEBI Listing Regulations and are independent of the Management.

#### Remuneration Policy:

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high-performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

#### i) Remuneration to Non-Executive Directors:

The remuneration by way of commission to the non-executive directors is decided by the Board of Directors. The shareholders at the AGM held on 6<sup>th</sup> August, 2019 approved the payment of remuneration by way of commission to the non-executive directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act for a period of 5 years commencing from 1<sup>st</sup> April, 2020. In addition to commission, the non-executive directors are paid

sitting fees of ₹50,000 for attending Board and Audit Committee meetings and ₹25,000 for attending other Committees along with actual reimbursement of expenses, incurred for attending each meeting of the Board and committees.

The Company has taken a Directors' & Officers' Liability Insurance Policy.

#### ii) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

#### iii) Remuneration to Executive Directors:

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organisations. The pay structure of Executive Directors has appropriate success and sustainability metrics built in. For CEO-APSEZ, the variable pay is linked to the following financial and ESG indicators - Revenue, EBIDTA, ROCE, Health & Safety, Energy Intensity, GHG Intensity, Water Intensity, Zero Waste to Landfill (ZWL), and Mangrove afforestation area. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/ payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), to its Executive Directors within the limits prescribed under the Act is approved by the Board of Directors and by the shareholders in the General Meeting.

The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committee.

**Details of Remuneration:****i) Non-Executive Directors:**

The details of sitting fees and commission paid to Non-Executive Directors during the FY 2021-22 are as under:

(₹ in Lakhs)

Name	Commission	Sitting Fees	Total
Mr. Rajesh S. Adani <sup>1</sup>	-	8.00	8.00
Dr. Malay Mahadevia <sup>2</sup>	-	7.75	7.75
Prof. G. Raghuram	20.00	9.50	29.50
Mr. G. K. Pillai	20.00	12.00	32.00
Mr. Bharat Sheth	20.00	4.00	24.00
Mrs. Nirupama Rao	20.00	5.25	25.25
Mr. P. S. Jayakumar	20.00	8.50	28.50

<sup>1</sup>Includes sitting fees paid for attending Finance Committee Meetings

<sup>2</sup>Includes sitting fees w.e.f 01.06.2021

Other than sitting fees and commission paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive Directors of the Company. The Company has not granted stock options to Non-Executive Directors.

**ii) Executive Directors:**

Details of remuneration paid/payable to Chairman & Managing Director and Whole Time Directors during the FY 2021-22 are as under:

(₹ in Lakhs)

Name	Salary	Perquisites, Allowances & other Benefits	Commission*	Total
Mr. Gautam S. Adani	180.00	-	280.00	460.00
Dr. Malay Mahadevia <sup>#</sup>	68.70	5.72	-	74.42
Mr. Karan Adani	233.00	207.00	-	440.00

\*Payable in FY 2022-23

<sup>#</sup>Ceased as Executive Director w.e.f 31.05.2021

**iii) Details of shares of the Company held by Directors as on 31<sup>st</sup> March, 2022 are as under:**

Name	No. of shares held
Mr. Gautam S. Adani	1
Mr. Rajesh S. Adani	1

Except above, none of Directors of the Company holds equity shares of the Company in their individual capacity. The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of Severance fees. Mr. Karan Adani, CEO, is one of the beneficiaries of S. B. Adani Family Trust along with other beneficiaries. The S. B. Adani Family Trust holds 37.84% equity of the Company.

**Note on appointment/re-appointment of Directors:**

Mr. Rajesh S. Adani, Director is retiring at the ensuing AGM and being eligible, offers himself for re-appointment.

The Board has re-appointed (i) Mr. Gautam S. Adani as Managing Director of the Company for further period of five years w.e.f 1<sup>st</sup> July, 2022; (ii) Mr. Karan Adani as Whole Time Director & CEO of the Company for a period of five years w.e.f 24<sup>th</sup> May, 2022; and (iii) Mr. Bharat Sheth as an Independent Director for a second term of three consecutive years w.e.f. 15<sup>th</sup> October, 2022, subject to the approval of shareholders at the ensuing AGM.

The brief resume and other information required to be disclosed under this section is provided in the Notice convening the ensuing AGM.

**Code of Conduct:**

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company [www.adaniports.com](http://www.adaniports.com). All Board Members and Senior Management Personnel have affirmed compliance of the Code. A declaration signed by the Whole Time Director & CEO to this effect, is attached to this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors, as per the provisions of the Act.

**3. Committees of the Board**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board, for review.

As on 31<sup>st</sup> March, 2022, the Board has constituted the following committees:

**I. Statutory Committees**

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders' Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Risk Management Committee ("RMC")

**II. Non-Statutory Committees**

With an objective of further strengthen the governance standards so as to match with internationally accepted better practices, the Board has constituted following additional Committees / Sub-committees:

- A. Corporate Responsibility Committee
- B. Information Technology & Data Security
- C. Mergers & Acquisitions Committee (Sub-committee of RMC)
- D. Legal, Regulatory & Tax Committee (Sub-committee of RMC)
- E. Reputation Risk Committee (Sub-committee of RMC)

**I. Statutory Committees****A) Audit Committee:**

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. A detailed charter of the Audit Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

As on 31<sup>st</sup> March, 2022, the Audit Committee comprise solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

**Terms of reference:**

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

<b>Terms of Reference</b>	<b>Frequency</b>
To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible	Q
To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the Company	P
To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof	A
To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:	
<ul style="list-style-type: none"> <li>▪ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013</li> </ul>	A
<ul style="list-style-type: none"> <li>▪ Changes, if any, in accounting policies and practices and reasons for the same</li> </ul>	Q
<ul style="list-style-type: none"> <li>▪ Major accounting entries involving estimates based on the exercise of judgment by the management</li> </ul>	Q
<ul style="list-style-type: none"> <li>▪ Significant adjustments made in the financial statements arising out of audit findings</li> </ul>	Q
<ul style="list-style-type: none"> <li>▪ Compliance with listing and other legal requirements relating to financial statements</li> </ul>	Q
<ul style="list-style-type: none"> <li>▪ Disclosure of any related party transactions</li> </ul>	Q
<ul style="list-style-type: none"> <li>▪ Modified opinion(s) in the draft audit report</li> </ul>	A
To review, with the management, the quarterly financial statements before submission to the board for approval	Q
To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter	P
To review and monitor the Auditor's independence and performance, and effectiveness of audit process	Q
To approve or any subsequent modification of transactions of the Company with related parties	P
To scrutinise inter-corporate loans and investments	Q
To undertake valuation of undertakings or assets of the Company, wherever it is necessary	P
To evaluate internal financial controls and risk management systems	Q
To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems	Q
To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit	A
To discuss with internal auditors of any significant findings and follow up there on	Q
To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board	Q

Terms of Reference	Frequency
To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern	Q
To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors	Q
To review the functioning of the Whistle Blower mechanism	Q
To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate	P
To review financial statements, in particular the investments made by the Company's unlisted subsidiaries	Q
To review compliance with the provisions of SEBI Insider Trading Regulations and verify that the systems for internal control are adequate and are operation effectively	Q
To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments	Q
To oversee the Company's disclosures and compliance risks, including those related to climate	Q
To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders	P
To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon	P
To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines	Q
To review and recommend to the Board for approval - Business plan, Budget for the year and revised estimates	A
To review Company's financial policies, strategies and capital structure, working capital and cash flow management	H
To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee	-
To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations	A
To review management discussion and analysis of financial condition and results of operations	A
To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors	P
To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

#### Meetings, Attendance & Composition of the Audit Committee:

During the year under review, Audit Committee met seven times i.e. on 4<sup>th</sup> May, 2021, 14<sup>th</sup> July, 2021, 3<sup>rd</sup> August, 2021, 22<sup>nd</sup> September, 2021, 27<sup>th</sup> October, 2021, 1<sup>st</sup> February, 2022 and 16<sup>th</sup> March, 2022. The intervening gap between two meetings did not exceed 120 days.

The composition of Audit Committee and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. G. K. Pillai, Chairman	Non-Executive & Independent Director	7	7	100
Prof. G. Raghuram, Member	Non-Executive & Independent Director	7	6	86
Mr. P. S. Jayakumar, Member	Non-Executive & Independent Director	7	7	100
Mrs. Nirupama Rao <sup>1</sup> , Member	Non-Executive & Independent Director	2	1	50
Mr. Rajesh S. Adani <sup>2</sup> , Member	Non-Executive & Non-Independent Director	5	3	60

<sup>1</sup>Appointed as member w.e.f. 27.10.2021

<sup>2</sup>Ceased as member w.e.f. 27.10.2021

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meetings are attended by the Chief Executive Officer, representatives of Statutory Auditors, Internal Auditor and Finance & Accounts department.

The minutes of the Audit Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The Chairman of the Audit Committee was present at the last AGM held on 12<sup>th</sup> July, 2021 to answer shareholders' queries.

#### B) Nomination and Remuneration Committee:

As on 31<sup>st</sup> March 2022, all the members of the Nomination and Remuneration Committee (NRC) were Independent Directors. A detailed charter of the NRC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

#### Terms of reference:

The powers, role and terms of reference of NRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of NRC are as under:

Terms of Reference	Frequency
To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees	A
To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of directors	A
To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance	A
To devise a policy on diversity of Board of Directors	P
To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal	P

Terms of Reference	Frequency
To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors	A
To review and recommend remuneration of the Managing Director(s) / Whole-time Director(s) based on their performance	A
To recommend to the Board, all remuneration, in whatever form, payable to senior management	A
To review, amend and approve all Human Resources related policies	P
To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system	A
To oversee workplace safety goals, risks related to workforce and compensation practices	A
To oversee employee diversity programs	A
To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management)	A
To oversee familiarisation programme for Directors	A
To recommend the appointment of one of the Independent Directors of the Company on the Board of its Material Subsidiary	P
To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable	P

Frequency **A** Annually **P** Periodically

#### Meetings, Attendance & Composition of the NRC:

During the year under review, NRC met three times i.e on 3<sup>rd</sup> May, 2021, 2<sup>nd</sup> August, 2021 and 31<sup>st</sup> January, 2022.

The composition of NRC and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Prof. G. Raghuram <sup>1</sup> , Chairman	Non-Executive & Independent Director	2	2	100
Mr. P.S. Jaykumar <sup>2</sup> , Chairman	Non-Executive & Independent Director	1	1	100
Mr. G. K. Pillai, Member	Non-Executive & Independent Director	3	3	100
Mrs. Nirupama Rao, Member	Non-Executive & Independent Director	3	2	67
Mr. Rajesh S. Adani <sup>1</sup> , Member	Non-Executive & Non-Independent Director	2	-	0

<sup>1</sup>Ceased as member w.e.f 27.10.2021

<sup>2</sup>Appointed as member w.e.f 27.10.2021

The minutes of the NRC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

#### C) Stakeholders' Relationship Committee:

The Stakeholders Relationship Committee (SRC) comprises of three members, with a majority of Independent Directors. A detailed charter of the SRC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

**Terms of reference:**

The powers, role and terms of reference of SRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of SRC are as under:

Terms of Reference	Frequency
To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.	Q
To review the measures taken for effective exercise of voting rights by shareholders	A
To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent	A
To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company	Q
To review engagement programs with investors, proxy advisors, etc. and to oversee investors movement (share register)	Q
To review engagement with rating agencies (Financial, ESG etc.)	H
To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts / unclaimed shares to the IEPF	A
To suggest and drive implementation of various investor-friendly initiatives	H
To approve and register transfer and / or transmission of securities, issuance of duplicate security certificates, issuance of certificate on rematerialization and to carry out other related activities	P
To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

**Meetings, Attendance & Composition of the SRC:**

During the year under review, the SRC met four times i.e on 3<sup>rd</sup> May, 2021, 2<sup>nd</sup> August, 2021, 26<sup>th</sup> October, 2021 and 31<sup>st</sup> January, 2022.

The composition of SRC and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Prof. G. Raghuram, Chairman	Non-Executive & Independent Director	4	4	100
Mr. G. K. Pillai, Member	Non-Executive & Independent Director	4	4	100
Mr. Karan Adani, Member	Executive Director	4	3	75

The Company Secretary is the Compliance Officer of the Company as per requirements of the SEBI Listing Regulations.

The minutes of the SRC are reviewed by the Board at its subsequent meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the SRC.

### Redressal of Investor Grievances

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

During the year under review, nine complaints were received. There was no unattended or pending investor grievance as on 31<sup>st</sup> March, 2022.

### D) Corporate Social Responsibility ("CSR") Committee:

During the year the Company has changed the nomenclature of "Sustainability and Corporate Social Responsibility Committee" to "Corporate Social Responsibility Committee" and has approved the revised terms of reference. As on 31<sup>st</sup> March 2022, the CSR Committee comprise of four members, with a majority of Independent Directors. A detailed charter of the CSR Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

#### Terms of reference:

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

Terms of Reference	Frequency
To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof	A
To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy	A
To recommend to the Board the amount of expenditure to be incurred on the CSR activities	A
To monitor the implementation of framework of CSR Policy	A
To review the performance of the Company in the areas of CSR	H
To institute a transparent monitoring mechanism for implementation of CSR projects/ activities undertaken by the Company	H
To recommend extension of duration of existing project and classify it as on-going project or other than on-going project	A
To submit annual report of CSR activities to the Board	A
To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board	A
To review and monitor all CSR projects and impact assessment report	A
To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties	P

Frequency **A** Annually **H** Half yearly **P** Periodically

### Meetings, Attendance & Composition of the CSR Committee:

During the year under review, CSR Committee met four times i.e. on 3<sup>rd</sup> May, 2021, 2<sup>nd</sup> August, 2021, 26<sup>th</sup> October, 2021 and 31<sup>st</sup> January, 2022.

The composition of CSR and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. Rajesh S. Adani <sup>1</sup> , Chairman	Non-Executive & Non-Independent Director	3	-	0

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mrs. Nirupama Rao <sup>2</sup> , Chairperson	Non-Executive & Independent Director	1	1	100
Mr. G. K. Pillai, Member	Non-Executive & Independent Director	4	4	100
Prof. G. Raghuram <sup>2</sup> , Member	Non-Executive & Independent Director	1	1	100
Dr. Malay Mahadevia, Member	Non-Executive & Non-Independent Director	4	3	75

<sup>1</sup>Ceased as member w.e.f. 27.10.2021

<sup>2</sup>Appointed as member w.e.f. 27.10.2021

The minutes of the CSR Meetings are reviewed by the Board at its subsequent meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

#### E) Risk Management Committee:

As on 31<sup>st</sup> March, 2022, the Risk Management Committee (RMC) comprise of three members, with a majority of Independent Directors. A detailed charter of the RMC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>

The Board of Directors of the Company at its meeting held on 27<sup>th</sup> October, 2021 constituted the following Committees as Sub-Committees of RMC as a part of good corporate governance practice:

- Merger & Acquisitions Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee

Constitution, meetings and terms of reference and other details of above Sub-Committees are separately included as a part of this report.

#### Terms of reference:

The powers, role and terms of reference of RMC covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of RMC are as under:

Terms of Reference	Frequency
To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan	A
To review and approve the Enterprise Risk Management ('ERM') framework	A
To formulate a detailed risk management policy which shall include: <ol style="list-style-type: none"> <li>a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee</li> <li>b. Measures for risk mitigation including systems and processes for internal control of identified risks</li> <li>c. Business continuity plan Oversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks</li> <li>d. Oversee regulatory and policy risks related to climate change, including review of state and Central policies</li> </ol>	A

Terms of Reference	Frequency
To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company	Q
To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems	Q
To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action	H
To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity	A
To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration	P
To review and approve Company's risk appetite and tolerance with respect to line of business	H
To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions	A
To review and recommend to the Board various business proposals for their corresponding risks and opportunities	P
To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed	Q
To form and delegate authority to subcommittee(s), when appropriate, such as: <ul style="list-style-type: none"> <li>▪ Mergers &amp; Acquisition Committee;</li> <li>▪ Legal, Regulatory &amp; Tax Committee;</li> <li>▪ Reputation Risk Committee; and</li> <li>▪ Other Committee(s) as the committee may think appropriate</li> </ul>	P
To oversee suppliers' diversity	A
To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

#### Meetings, Attendance & Composition of the RMC:

During the year under review, RMC met four times i.e on 3<sup>rd</sup> May, 2021, 2<sup>nd</sup> August, 2021, 26<sup>th</sup> October, 2021 and 31<sup>st</sup> January, 2022.

The composition of RMC and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. Rajesh S. Adani <sup>1</sup> , Chairman	Non-Executive & Non-Independent Director	3	-	0
Mr. G. K. Pillai, Chairman	Non-Executive & Independent Director	4	4	100
Dr. Malay Mahadevia, Member	Non-Executive & Non-Independent Director	4	3	75
Mr. Bharat Sheth <sup>2</sup> , Member	Non-Executive & Independent Director	1	1	100

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Capt. Unmesh Abhyankar <sup>1</sup> Member	Joint President - CEO office	3	3	100
Mr. Deepak Maheshwari <sup>3</sup> Member	Chief Financial Officer	1	1	100

<sup>1</sup>Ceased as member w.e.f. 27.10.2021

<sup>2</sup>Appointed as member w.e.f. 27.10.2021

<sup>3</sup>Ceased as member w.e.f. 05.05.2021

The Company has a risk management framework to identify, monitor and minimize risks.

The minutes of the RMC are reviewed by the Board at its subsequent meetings.

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

## II. Non- Statutory Committees

### A) Corporate Responsibility Committee:

The Board at its meeting held on 27<sup>th</sup> October, 2021, constituted the Corporate Responsibility Committee (CRC). As on 31<sup>st</sup> March, 2022, All the members of CRC were Independent Directors. A detailed charter of the CRC is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

#### Terms of reference:

Terms of Reference	Frequency
To define the Company's corporate and social obligations as a responsible citizen and oversee its conduct in the context of those obligations	A
To approve a strategy for discharging the Company's corporate and social responsibilities in such a way as to provide an assurance to the Board and stakeholders	Q
To oversee the creation of appropriate policies and supporting measures (including Public disclosure policy, Anti-money Laundering policy, Anti Bribery, Fraud & Corruption policies etc.) and map them to UNSDG and GRI disclosure standards	A
To identify and monitor those external developments which are likely to have a significant influence on Company's reputation and/or its ability to conduct its business appropriately as a good citizen and review how best to protect that reputation or that ability	Q
To review the Company's stakeholder engagement plan (including vendors / supply chain)	A
To ensure that appropriate communications policies are in place and working effectively to build and protect the Company's reputation both internally and externally	A
To review the Integrated Annual Report of the Company	A
To review and direct for alignment of actions / initiatives of the Company with United Nations Sustainable Development Goals 2030 (UNSDG): <ul style="list-style-type: none"> <li>▪ No poverty</li> <li>▪ Zero hunger</li> <li>▪ Good health &amp; well being</li> <li>▪ Quality education</li> <li>▪ Gender equality</li> <li>▪ Clean water and sanitation</li> </ul>	A

Terms of Reference	Frequency
<ul style="list-style-type: none"> <li>▪ Affordance and clean energy</li> <li>▪ Decent work and economic growth</li> <li>▪ Industry, Innovation and Infrastructure</li> <li>▪ Reduced inequalities</li> <li>▪ Sustainable cities and communities</li> <li>▪ Responsible consumption and production</li> <li>▪ Climate action</li> <li>▪ Life below water</li> <li>▪ Life on land</li> <li>▪ Peace and justice strong intuitions</li> <li>▪ Partnerships for goals</li> </ul>	
To review sustainability and / or ESG and / or Climate reports or other disclosures such as ethical governance, environmental stewardship, safety performance, water and energy use etc. and similar communications to stakeholders on ESG initiatives and activities by the Company and ensure mapping of the same to GRI disclosure standards	A
To oversee strategies, activities and policies regarding sustainable organisation including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework	A
To oversee ethical leadership, compliance with the Company's sustainability policy, sustainability actions and proposals and their tie-in with the Strategic Plan, interaction with different stakeholders and compliance with the ethics code	H
To oversee Company's initiatives to support innovation, technology, and sustainability	A
To oversee sustainability risks related to supply chain, climate disruption and public policy	H
To monitor Company's ESG ratings / scores from ESG rating agencies and improvement plan	H
To approve appointment of Chief Sustainability Officer after assessing the qualification, experience and background etc. of the candidate	P
To oversee the Company's: <ul style="list-style-type: none"> <li>▪ Vendor development and engagement programs;</li> <li>▪ program for ESG guidance (including Climate) to stakeholders and to seek feedback on the same and make further improvement programs</li> </ul>	Q
To provide assurance to Board in relation to various responsibilities being discharged by the Committee	H

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

#### Meeting, Attendance & Composition of the CRC:

During the year under review, one meeting of CRC was held on 31<sup>st</sup> January, 2022.

The composition of CRC and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Prof. G. Raghuram, Chairman	Non-Executive & Independent Director	1	1	100
Mr. G. K. Pillai, Member	Non-Executive & Independent Director	1	1	100

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. P. S. Jayakumar, Member	Non-Executive & Independent Director	1	1	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The Minutes of CRC Committee Meetings are reviewed by the Board at its subsequent meetings.

#### B) Information Technology & Data Security Committee:

The Board at its meeting held on 27<sup>th</sup> October, 2021, constituted the Information Technology & Data Security Committee (IT&DS Committee). As on 31<sup>st</sup> March, 2022, the IT & DS Committee comprise of three Independent Directors. A detailed charter of the IT & DS Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

#### Terms of reference:

Terms of Reference	Frequency
To review and oversee the function of the Information Technology (IT) within the Company in establishing and implementing various latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated to the extent possible and thereby to add the value	H
To review and oversee the necessary actions being taken by IT and Cyber team with respect to protection of various important data across the Company and what the policy for data protection and its sustainability	A
To oversee the current cyber risk exposure of the Company and future cyber risk strategy	H
To review at least annually the Company's cyber security breach response and crisis management plan	A
To review reports on any cyber security incidents and the adequacy of proposed action	H
To assess the adequacy of resources and suggest additional measures to be undertaken by the Company	A
To regularly review the cyber risk posed by third parties including outsourced IT and other partners	A
To annually assess the adequacy of the Group's cyber insurance cover	A

Frequency **A** Annually **H** Half yearly

#### Meeting, Attendance & Composition of IT & DS Committee:

During the year under review, one meeting of IT&DS Committee was held on 31<sup>st</sup> January, 2022.

The composition of IT&DS Committee and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mrs. Nirupama Rao, Chairperson	Non-Executive & Independent Director	1	1	100
Prof. G. Raghuram, Member	Non-Executive & Independent Director	1	1	100
Mr. G.K. Pillai, Member	Non-Executive & Independent Director	1	1	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee. The Minutes of IT & DS Committee Meetings are reviewed by the Board at its subsequent meetings.

### C) Merger & Acquisition Committee:

The Board at its meeting held on 27<sup>th</sup> October, 2021, constituted the Merger & Acquisition Committee (M&A Committee) as a Sub-Committee of RMC. As on 31<sup>st</sup> March, 2022, the M&A Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the M&A Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

#### Terms of reference:

Terms of Reference	Frequency
To review acquisition strategies with the management	P
To review proposals relating to merger, acquisition, investment or divestment ("Transaction/s") that are presented to the Committee (including how such transaction fits with the Company's strategic plans and acquisition strategy, Transaction timing, important Transaction milestones, financing, key risks (including cyber security) and opportunities, risk appetite, tolerance and the integration plan) and if thought fit, to recommend relevant opportunities to the Audit Committee / Board as appropriate	P
To oversee due diligence process with respect to proposed Transaction(s) and review the reports prepared by internal teams or independent external advisors, if appointed	P
To evaluate execution / completion, integration of Transaction(s) consummated, including information presented by management in correlation with the Transaction approval parameters and the Company's strategic objectives	P
To periodically review the performance of completed Transaction(s)	A
To review the highlights good practices and learnings from Transaction and utilize them for future Transactions	P
To review the tax treatment of Transactions and ascertain their effects upon the financial statements of the Company and seek external advice on the tax treatment of these items, where appropriate	P

Frequency **A** Annually **P** Periodically

#### Meeting, Attendance & Composition of the M&A Committee:

During the year under review, one meeting of M&A Committee was held on 30<sup>th</sup> March, 2022.

The composition of M&A Committee and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. P.S. Jayakumar, Chairman	Non-Executive & Independent Director	1	1	100
Mr. G.K. Pillai, Member	Non-Executive & Independent Director	1	1	100
Mr. Karan Adani, Member	Executive Director	1	1	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee. The Minutes of M&A Committee Meetings are reviewed by the Board at its subsequent meetings.

**D) Legal, Regulatory & Tax Committee:**

The Board at its meeting held on 27<sup>th</sup> October, 2021, constituted the Legal, Regulatory & Tax Committee (LRT Committee) as a Sub-Committee of RMC. As on 31<sup>st</sup> March, 2022, the LRT Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the LRT Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

**Terms of reference:**

Terms of Reference	Frequency
To exercise oversight with respect to the structure, operation and efficacy of the Company's compliance program	A
To review legal, tax and regulatory matters that may have a material impact on the Company's financial statements and disclosures, reputational risk or business continuity risk	H
To review compliance with applicable laws and regulations	H
To approve the compliance audit plan for the year and review of such audits to be performed by the internal audit department of the Company	A
To review significant inquiries received from, and reviews by, regulators or government agencies, including, without limitation, issues pertaining to compliance with various laws or regulations or enforcement or other actions brought or threatened to be brought against the Company by regulators or government authorities / bodies / agencies	P
To review, oversee and approve the tax strategy and tax governance framework and consider and action tax risk management issues that are brought to the attention of the Committee	A

Frequency **A** Annually **H** Half yearly **P** Periodically

**Meeting, Attendance & Composition of the LRT Committee:**

During the year under review, one meeting of LRT Committee was held on 31<sup>st</sup> January, 2022.

The composition of LRT Committee and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Prof. Raghuram, Chairman	Non-Executive & Independent Director	1	1	100
Mr. Karan Adani, Member	Executive Director	1	1	100
Mr. P.S. Jayakumar, Member	Non-Executive & Independent Director	1	1	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The Minutes of LRT Committee Meetings are reviewed by the Board at its subsequent meetings.

**E) Reputation Risk Committee:**

The Board at its meeting held on 27<sup>th</sup> October, 2021, constituted the Reputation Risk Committee (RR Committee) as a Sub-Committee of RMC. As on 31<sup>st</sup> March, 2022, the RR Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the RR Committee is available on the website of the Company at <https://www.adaniports.com/Investors/board-and-committee-charters>.

Terms of reference:

Terms of Reference	Frequency
To review reports from management regarding reputation risk, including reporting on the Reputation Risk Management Framework and Reputation Risk Appetite	H
To provide ongoing oversight of the reputational risk posed by global business scenario, functions, geographies, material legal changes, climate change or high-risk relationships / programs	H
To assess and resolve specific issues, potential conflicts of interest and other reputation risk issues that are reported to the Committee	P
To recommend good practices and measures that would avoid reputational loss	A
To review specific cases of non-compliances, violations of codes of conduct which may cause loss to reputation the Company	P

Frequency **A** Annually **H** Half yearly **P** Periodically

#### Meeting, Attendance & Composition of the RR Committee:

During the year under review, one meeting of RR Committee was held on 31<sup>st</sup> January, 2022.

The composition of RR Committee and details of attendance of the Members during FY 2021-22 are given below:

Name and designation	Category	No. of Meetings		% of attendance
		Held during the tenure	Attended	
Mr. Bharat Sheth, Chairman	Non-Executive & Independent Director	1	1	100
Mrs. Nirupama Rao, Member	Non-Executive & Independent Director	1	1	100
Mr. Karan Adani, Member	Executive Director	1	1	100

Mr. Kamlesh Bhagia, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The Minutes of RR Committee Meetings are reviewed by the Board at its subsequent meetings.

#### 4. Subsidiary Companies:

None of the subsidiaries of the Company other than (i) Adani Logistics Ltd (ii) The Adani Harbour Services Ltd (iii) Adani Hazira Port Ltd (iv) The Dhamra Port Company Ltd and (v) Adani Krishnapatnam Port Ltd comes under the purview of the material subsidiary as per criteria given in regulation 16 of the SEBI Listing Regulations. However, the none of the aforesaid material subsidiary falls under the criteria given in regulation 24 of the SEBI Listing Regulations, and hence, the Company is not required to nominate an Independent Director of the Company on the Board of any subsidiary. The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources.

For more effective governance, the Company monitors performance of subsidiary companies, inter alia, by

following means:

1. Financial statements, in particular the investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
2. Minutes of unlisted subsidiary companies are placed before the Board of the Company regularly.
3. A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings.
4. Presentations are made to the Company's Board on business performance of major subsidiaries of the Company by the senior management.

The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the

Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

## 5. Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour and financial irregularities. No

person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>. The Audit Committee monitors and reviews the investigations of the whistle blower complaints. During the year under review, no cases of whistle blower were reported.

## 6. General Body Meetings:

### a) Annual General Meetings:

The date, time and location of the Annual General Meetings held during the preceding 3 years and special resolutions passed thereat are as follows:

Financial Year	Date	Location of Meeting	Time	No. of Special Resolutions passed
2018-19	6 <sup>th</sup> August, 2019	H.T. Parekh Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015.	10.30 a.m.	3
2019-20	26 <sup>th</sup> June, 2020	Through Video Conferencing/ Other Audio-Visual Means	10.00 a.m.	1
2020-21	12 <sup>th</sup> July, 2021	Through Video Conferencing/ Other Audio-Visual Means	10.00 a.m.	1

All the resolutions proposed by the Directors to shareholders in last three years are approved by shareholders with adequate majority.

Transcript of the last AGM is available on the website of the Company at: <https://www.adaniports.com/-/media/Project/Ports/Investor/Transcripts/AGM--July-12-2021.pdf>

Voting results of the last AGM is available on the website of the Company at: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Corporate-Announcement/other-intimation/ScrutinizersReport2021.pdf?la=en>

### b) Whether special resolutions were put through postal ballot last year, details of voting pattern:

There were no special resolutions passed through postal ballot process during FY 2021-22.

### c) Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing AGM of the Company require passing a resolution through Postal Ballot.

### d) Procedure for postal ballot:

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time

to time shall be complied with, whenever necessary.

## 7. Means of Communication:

### a) Financial Results:

The quarterly/half-yearly and annual results of the Company are normally published in the Indian Express (English) and Financial Express (a regional daily published from Gujarat).

The quarterly/half-yearly and annual results and other official news releases are displayed on the website of the Company - [www.adaniports.com](http://www.adaniports.com) shortly after its submission to the Stock Exchanges.

### b) Intimation to Stock Exchanges:

The Company also regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

**c) Earnings Calls and Presentations to Analysts:**

At the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings calls are uploaded on the website thereafter.

The Company has maintained consistent communication with investors at various forums organized by investment bankers.

**8. General Shareholders Information:****a) Company Registration details:**

The Company is registered in the State of Gujarat, India. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L63090GJ1998PLC034182.

**b) Annual General Meeting:**

Day and Date	Time	Venue
Tuesday, 26 <sup>th</sup> July, 2022	11.00 A.M	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circulars

**c) Registered Office:**

Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad - 382421.

**d) Financial Calendar for 2022-23:**

Financial year is 1<sup>st</sup> April to 31<sup>st</sup> March and financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
<b>Quarterly Results</b>	
Quarter ending on June 30, 2022	: 1 <sup>st</sup> week of August, 2022
Quarter ending on September 30, 2022	: 1 <sup>st</sup> week of November, 2022
Quarter ending on December 31, 2022	: 1 <sup>st</sup> week of February, 2023
Annual Result of 2022-23	: 1 <sup>st</sup> week of May, 2023

**e) Record date:**

The Company has fixed 15<sup>th</sup> July, 2022 as the "Record Date" for determining entitlement of the shareholders to final dividend for the financial year ended 31<sup>st</sup> March, 2022, if approved, at the AGM.

**f) Dividend Distribution Policy:**

The Dividend Distribution Policy of the Company is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

Dividend History since listing

Financial year	Type	Face value (In ₹)	Dividend (% of face value)	Dividend amount per share (In ₹)
2007-08	Final	10	15	1.50
2008-09	Interim	10	20	2.00
2008-09	Final	10	10	1.00
2009-10	Interim	10	25	2.50
2009-10	Final	10	15	1.50
2010-11	Interim	2	25	0.50
2010-11	Interim	2	20	0.40
2011-12	Interim	2	15	0.30
2011-12	Final	2	35	0.70

Financial year	Type	Face value (In ₹)	Dividend (% of face value)	Dividend amount per share (In ₹)
2012-13	Final	2	50	1.00
2013-14	Final	2	50	1.00
2014-15	Final	2	55	1.10
2015-16	Interim	2	55	1.10
2016-17	Final	2	65	1.30
2017-18	Final	2	100	2.00
2018-19	Final	2	10	0.20
2019-20	Interim	2	160	3.20
2020-21	Final	2	250	5.00

**Dividend Payment Date:**

Final Dividend of ₹5 per equity share (250%) will be paid on or after 28<sup>th</sup> July, 2022, if approved by the Shareholders at the ensuing AGM.

**g) Listing on Stock Exchanges:**

The Company's shares are listed on the following stock exchanges

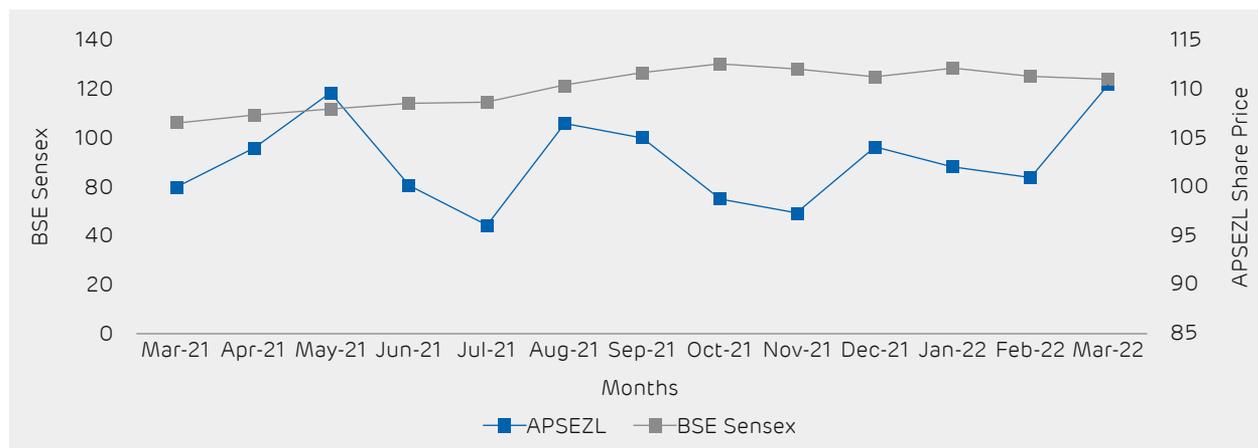
Name of Stock Exchange	Address	Code
BSE Limited (BSE)	Floor 25, P. J Towers, Dalal Street, Mumbai - 400001	532921
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	ADANIPTS

Annual listing fees for the year 2022-23 have been paid by the Company to BSE and NSE.

**h) Market Price Data:**

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2021	885.00	693.00	2,52,95,975	885.00	689.50	55,46,68,446
May, 2021	792.00	715.00	1,36,49,660	791.90	713.75	26,30,29,100
June, 2021	901.00	638.00	3,93,95,712	901.00	638.10	69,10,52,260
July, 2021	736.8	654.45	1,15,49,641	737.00	654.20	21,72,34,081
August, 2021	754.00	665.00	1,11,51,163	754.00	665.00	19,77,02,290
September, 2021	786.00	733.10	47,38,428	786.00	733.00	10,10,33,201
October, 2021	829.80	681.50	74,67,370	829.90	681.15	11,69,83,309
November, 2021	774.00	680.00	46,07,427	774.30	679.70	8,07,32,848
December, 2021	794.75	683.00	45,94,525	794.95	682.75	10,79,58,087
January, 2022	795.00	689.15	35,21,363	795.00	689.00	9,80,67,038
February, 2022	750.80	652.05	37,46,445	750.85	651.95	9,06,93,007
March, 2022	781.05	664.00	53,33,383	781.00	663.55	10,92,84,362

**i) Performance in comparison to broad-based indices such as BSE Sensex:**



**j) Registrar & Transfer Agent:**

M/s. Link Intime India Pvt. Ltd. is appointed as Registrar and Transfer (R&T) Agent of the Company for both Physical and Demat Shares. The registered office address is given below:

C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083

Tel: +91-22-4918 6270

Fax: +91-22-4918 6060

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

The Shareholders are requested to correspond directly with the R&T Agent for transfer/transmission of shares, change of address, queries pertaining to their shares, dividend etc.

**k) Transfer to Investor Education and Protection Fund (IEPF):**

In terms of the Section 125 and 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund Rules, 2016, the dividend amount that remains unclaimed for a period of seven years or more is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government, along with the corresponding shares to the demat account of IEPF Authority.

During the year under review, the unclaimed dividend amount for the FY 2013-14 (final) amounting to ₹1,044,560 along with corresponding 19,921 shares, was transferred to the IEPF established by the Central Government under applicable provisions of the Act.

The Company had communicated to all the concerned shareholders individually whose dividend and shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements, before such transfer in favour of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

The Shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the Rules. Shareholders may refer Rule 7 of the said Rules for Refund of shares / dividend etc.

**l) Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Board has delegated the authority for approving transfer, transmission etc to the Stakeholders' Relationship Committee.

The Company obtained following certificate(s) from a Practising Company Secretary and submitted the same to the stock exchanges within stipulated time:

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for the year ended 31<sup>st</sup> March 2022 with the Stock Exchanges; and
  2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.
- All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agent of the Company.

**m) Shareholding as on 31<sup>st</sup> March 2022:**

**(a) Distribution of Shareholding as on 31<sup>st</sup> March 2022:**

No. of shares	Equity Shares in each category		Number of shareholders	
	Total Shares	% of total	Holders	% of total
1-500	3,11,23,247	1.47	622,680	97.60
501-1000	58,77,843	0.28	7,787	1.22
1001-2000	51,76,364	0.25	3,581	0.56
2001-3000	29,29,489	0.14	1,149	0.18
3001-4000	18,47,896	0.09	520	0.08
4001-5000	19,12,531	0.09	407	0.06
5001-10000	53,38,099	0.25	735	0.11
10001 & above	2,05,81,67,761	97.43	1,152	0.18
<b>Total</b>	<b>2,11,23,73,230</b>	<b>100.00</b>	<b>6,38,011</b>	<b>100.00</b>

**b) Category wise Shareholding Pattern as on 31<sup>st</sup> March 2022:**

Category	Total No. of Shares	% of holding
Promoter and Promoter Group	1,38,45,55,767	65.55
Foreign Institutional Investors / Portfolio Investor	30,11,88,463	14.26
Insurance Companies	21,55,35,263	10.20
Mutual Funds/Banks/Financial Institutions	10,76,35,943	5.10
NRI/Foreign Nationals	20,62,483	0.10
IEPF/Clearing Member	17,71,868	0.08
Bodies Corporate	1,13,24,859	0.54
Indian Public and others	8,82,98,584	4.17
<b>Total</b>	<b>2,11,23,73,230</b>	<b>100.00</b>

**n) Dematerialization of Shares and Liquidity:**

The Equity Shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The demat security (ISIN) code for the equity share is INE742FO1042.

The equity shares of the Company representing 99.99% of the Company's share capital are dematerialized as on 31<sup>st</sup> March 2022.

The Company's shares are regularly traded on the BSE Limited and National Stock Exchange of India Limited.

**o) Listing of Debt Securities:**

The Rated, Listed, Secured, Redeemable, Non-Convertible Debentures issued on private placement basis by the Company are listed on the Wholesale Debt Market (WDM) of BSE Limited.

**p) Debenture Trustees (for privately placed debentures):**

IDBI Trusteeship Services Ltd.

Asian Building, Ground Floor, 17, R. Kamani Marg,  
Ballard Estate, Mumbai - 400001

Phone No.: +91-22-4080 7000

Fax: +91-22-6631 1776

E-mail ID: itsl@idbitrustee.com

Website: www.idbitrustee.com

**q) Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion and likely impact on equity:**

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at 31<sup>st</sup> March, 2022.

**r) Commodity Price Risk/Foreign Exchange Risk and Hedging:**

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. It manages its exposure to these risks through derivative financial

instruments. The Company's risk management activities are subject to the management, direction and control of Treasury Team of the Company under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

**s) Site location:**

Mundra Port	"Adani House", Navinal Island, Mundra, Dist. Kutch, Gujarat.
Dahej Port	Adani Petronet (Dahej) Port Pvt. Ltd. At & Po Lakhigam, Taluka Vagra, Bharuch, Gujarat.
Hazira Port	Adani Hazira Port Ltd. At & PO Hazira, Taluka Choryasi, Dist. Surat, Gujarat.
Dhamra Port	The Dhamra Port Company Ltd., AT/PO-Dosinga, Dist. Bhadrak, Odisha, Bhubaneswar.
Ennore Port	Adani Ennore Container Terminal Pvt. Ltd. C/o. Kamarajar Port, Vallur Post, Ponneri Taluka, Dist. Thiruvalluvar, Tamil Nadu.
Kattupalli Port	Marine Infrastructure Developer Pvt. Ltd. (Kattupalli Port), Kattupalli Village, Ponneri Taluka, Dist. Thiruvalluvar, Tamil Nadu.
Krishnapatnam Port	Adani Krishnapatnam Port Ltd. PO Bag No 1, Muthukur Mandal, Dist. SPSR Nellore, Andhra Pradesh
Mormugao Terminal	Adani Mormugao Port Terminal Pvt. Ltd. Sub Station Building, Near Gate No. 2 of Mormugao Port Trust, Mormugao, Goa
Tuna Terminal	Adani Kandla Bulk Terminal Pvt. Ltd. Tuna KPT Custom Building, Village Tuna, Dist. Kutch, Gujarat
Vizhinjam Port	Adani Vizhinjam Port Pvt. Ltd. Mulloor PO, Vizhinjam, Thiruvananthapuram, Kerala

**t) Address for Correspondence:**

Mr. Kamlesh Bhagia, Company Secretary & Compliance Officer	For transfer/dematerialization of shares, change of address and other queries.
Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421.	<b>Link Intime India Pvt. Ltd.</b> C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083
Tel.: +91-79-2656 5555	Tel.: +91-22-4918 6270
Fax: +91-79-2656 5500	Fax.: +91-22-4918 6060
E-mail: investor.apsezl@adani.com	E-mail: rnt.helpdesk@linkintime.co.in

**u) Rating:****International Rating**

Rating Agency	Facility	Rating/Outlook
Standard & Poor's	Long-term Foreign Currency Issuer Credit Rating	BBB- /Stable
Moody's	Long-term Foreign Currency Issuer Rating	Baa3 /Stable
Fitch	Long-term Foreign Currency Issuer Default Rating	BBB- /Negative

**Domestic Rating**

Rating Agency	Facility	Rating/Outlook
ICRA	Long Term Facility	AA+ /Stable
	Short Term Facility	A1+
India Rating	Long Term Facility	AA+ /Stable
	Short Term Facility	A1+

**v) Non-mandatory Requirements:**

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

**1. The Board:**

The Company has an Executive Chairman and hence, the need for implementing the non-mandatory requirement i.e, maintaining a chairperson's office at the Company's expense and allowing reimbursement of expenses incurred in performance of his duties, does not arise.

**2. Shareholders Right:**

The quarterly, half-yearly and annual financial results of the Company are published in newspapers and posted on Company's website www.adaniports.com. The same are also available on the websites of stock exchanges, where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.

**3. Modified opinion(s) audit report:**

The Company already has a regime of unqualified financial statements. Auditors have raised no

qualification on the financial statements.

**4. Separate posts of Chairperson and Chief Executive Officer:**

Mr. Gautam S. Adani is the Chairman and Mr. Karan Adani is the Whole Time Director & CEO of the Company. Both these positions have distinct and well-articulated roles and responsibilities.

**5. Reporting of Internal Auditor:**

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

**9. Other Disclosures:****a) Disclosure on materially significant related party transactions**

There were no materially significant Related Party Transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Integrated Annual Report.

The Related Party Transaction Policy is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

- b) In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

**c) Details of compliances**

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**d) CEO/CFO Certificate**

In compliance with Regulation 17(8) of SEBI Listing Regulations, the WTD & CEO of the Company has furnished a Certificate to the Board, for the year ended on 31<sup>st</sup> March, 2022. He has also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of SEBI Listing Regulations.

- e) The Company discloses to the Audit Committee, the uses/application of proceeds/funds raised from Rights Issue, Preferential Issue as part of the quarterly review of financial results as applicable.
- f) The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.
- g) The Company has adopted Material Events Policy which is uploaded on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.
- h) The Company has in place an Information Security Policy that ensure proper utilization of IT resources.
- i) As a part of good governance practice, the Company has also adopted several policies from ESG perspective and the same are available on

Company's website at [www.adaniports.com](http://www.adaniports.com)

Details of the familiarization programmes imparted to the independent directors are available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.

- j) With a view to regulate trading in securities by the Directors and Designated Employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading (Code). The Code also covers the policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI) or suspected leak of UPSI. The Code is available on the website of the Company at <https://www.adaniports.com/Investors/Corporate-Governance>.
- k) The Company has put in place succession plan for appointment to the Board and to senior management.
- l) The Company complies with all applicable secretarial standards.
- m) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from CS Ashwin Shah, Practising Company Secretary, and the same is attached to this Integrated Annual Report.
- n) As required under Regulation 36(3) of the SEBI Listing Regulations, the particulars of Director seeking re-appointment at the ensuing AGM are given in the Annexure to the Notice of the 23<sup>rd</sup> AGM to be held on 26<sup>th</sup> July, 2022.
- o) The Company has obtained a certificate from CS Ashwin Shah, Practising Company Secretary confirming that none of the Directors of the Company is debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this Integrated Annual Report.
- p) The Company has not made any contributions to / spending for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups.

- q) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm / network entity of which the Statutory Auditor is a part, is given below:

M/s. Deloitte Haskins & Sells LLP

	(₹ in crore)
<b>Payment to Statutory Auditor</b>	<b>FY 2021-22</b>
Audit Fees	2.14
Limited Review	1.04
Certification Fees	0.43
Reimbursement of Expenses	0.03
<b>Total</b>	<b>3.64</b>

## Declaration

I, Karan Adani, Whole-Time Director & CEO of Adani Ports and Special Economic Zone Limited hereby declare that as of 31<sup>st</sup> March, 2022, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Board of Directors and Senior Management Personnel laid down by the Company.

For Adani Ports and Special Economic Zone Limited

Place: Ahmedabad  
Date: 24<sup>th</sup> May, 2022

**Karan Adani**  
*Whole-Time Director & CEO*

## Certificate on Corporate Governance

To,  
The Members of  
**Adani Ports and Special Economic Zone Limited**

We have examined the compliance of Corporate Governance by Adani Ports and Special Economic Zone Limited ("the Company") for the year ended on 31<sup>st</sup> March 2022 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

**CS Ashwin Shah**  
*Company Secretary*

Place: Ahmedabad  
Date: 24<sup>th</sup> May, 2022

C.P.No. 1640  
Quality Reviewed 2021  
UDIN: F001640D000366917  
PRC:1930/2022

## Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Adani Ports and Special Economic Zone Limited**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Adani Ports and Special Economic Zone Limited having CIN L63090GJ1998PLC034182 and having registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad -382421 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Gautam S. Adani	00006273	26/05/1998
2.	Mr. Rajesh S. Adani	00006322	26/05/1998
3.	Mr. Bharat Sheth	00022102	15/10/2019
4.	Dr. Malay Mahadevia	00064110	20/05/2009
5.	Prof. G. Raghuram	01099026	14/05/2012
6.	Mr. P. S. Jayakumar	01173236	23/07/2020
7.	Mr. G. K. Pillai	02340756	19/10/2012
8.	Mr. Karan Adani	03088095	24/05/2017
9.	Mrs. Nirupama Rao	06954879	22/04/2019
10.	Mrs. Avantika Singh Aulakh, IAS	07549438	15/09/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**CS Ashwin Shah**  
Company Secretary

Place: Ahmedabad  
Date: 24<sup>th</sup> May, 2022

C.P.No. 1640  
Quality Reviewed 2021  
UDIN: F001640D000366884  
PRC:1930/2022

## Chief Executive Officer Certification

The Board of Directors

### **Adani Ports and Special Economic Zone Limited**

I, Karan Adani, Whole Time Director & CEO of Adani Ports and Special Economic Zone Limited ("the Company"), to the best of our knowledge and belief, hereby certify that;

- a) We have reviewed the financial statements and the cash flow statements of the Company for the year ended 31<sup>st</sup> March, 2022 and:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2022, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company and we have:
  - i) designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - ii) designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements of external purpose in accordance with Indian Accounting Standards (Ind AS);
  - iii) evaluated the effectiveness of the Company's disclosure, controls and procedure;
  - iv) disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonable likely to materially affect, the Company's internal control over financial reporting.
- d) We have indicated to the Auditors and the Audit Committee, wherever applicable:
  - i) significant changes, if any, in internal control over financial reporting during the year;
  - ii) all significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements;
  - iii) there have been no instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Ahmedabad  
Date: 24<sup>th</sup> May, 2022

**Karan Adani**  
*Whole-Time Director & CEO*

# Business Responsibility and Sustainability Report

## SECTION A : GENERAL DISCLOSURE

### I. Details of the listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L63090GJ1998PLC034182
2	Name of the Listed Entity	Adani Ports and Special Economic Zone Ltd. ("APSEZ/ Company")
3	Year of incorporation	1998
4	Registered office address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat
5	Corporate address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421 Gujarat
6	E-mail	investor.apsezl@adani.com
7	Telephone	+91 79 - 26565555
8	Website	www.adaniports.com
9	Financial year for which reporting is being done	FY 2021-22
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	Paid up Equity Capital - ₹422.47 crore Paid up Preference Capital - ₹2.50 crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Charanjit Singh Head - ESG & IR  Email: charanjit.singh@adani.com Phone: 079 - 25557712
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Consolidated basis.

### II. Products and Services

#### 14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Transport and storage	Services incidental to land, water & air transportation	100

## 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Cargo handling incidental to water transport	52242	100

## III. Operations

## 16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	12 ( including under-construction) ports & terminals and 6 logistics parks		
International	1 terminal under-construction in Colombo		

## 17. Markets served by the entity:

a. Locations	Number
National (No. of States)	All States
International (No. of Countries)	Global

## b. What is the contribution of exports as a percentage of the total turnover of the entity?

We are not a manufacturing entity. We are in the business of managing cargo at the port.

## c. A brief on types of customers:

APSEZ primarily serves B2B customers handling cargos, from dry cargo, liquid cargo, crude to containers. Its subsidiary, Adani Logistics Limited (ALL), operates inland container depots at Patli (Haryana) and Kilaraipur (Punjab) and Multi-Modal Logistics Parks (MMLP) at Kishangarh (Rajasthan), Malur Karnataka) and Kanech (Punjab). ALL is a diversified end-to-end logistics service provider with expertise in handling varied customer across segments like Retail, Industrial, Container, Bulk, Break-Bulk, Liquids, Auto and Grain Handling. Mundra Economic Hub at Mundra SEZ, offers investment options as the multi-product SEZ, Free Trade and Warehousing Zone (FTWZ) and Domestic Industrial Zone.

## IV. Employees

## 18. Details as at the end of Financial Year

## 1. Employees (including differently abled):

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>					
Permanent (D)	2150	2116	98.4	34	1.6
Other than Permanent (E)	75	72	96.0	3	4.0
Total Employees (D+E)	2225	2188	98.3	37	1.7
<b>WORKERS</b>					
Permanent (F)	510	506	99.2	4	0.8
Other than Permanent (G)	1	1	100	0	0.0
Total Workers (F+G)	511	507	99.2	4	0.8

## 2. Differently abled Employees and workers:

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>					
Permanent (D)	1	1	100	0	0
Other than Permanent (E)	0	0	0	0	0
Total Differently abled employees (D+E)	1	1	100	0	0
<b>DIFFERENTLY ABLED WORKERS</b>					
Permanent (F)	0	0	0	0	0
Other than Permanent (G)	0	0	0	0	0
Total differently abled Workers (F+G)	0	0	0	0	0

## 19. Participation/Inclusion/Representation of women

	Total (A)	Number (B)	Percentage of Females % (B/A)
Board of Directors	10*	2	20
Key Management Personnel#	3	0	0

\*Standalone for APSEZ

#As per Section 2(51) of the Companies Act 2013 &amp; BRSR guidelines. Two of Key Management Personnel are also occupying the position of the Director

## 20. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)

	Turnover Rate in FY 2021-22			Turnover Rate in FY 2020-21			Turnover Rate in FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employee	264	6	9.54%	-	-	-	-	-	-
Permanent Workers*	20	0	0.71%	-	-	-	-	-	-

# Voluntary turnover Nos./Rate

# The turnover rate mentioned herein is for Permanent category of employees/workers as applicable. It excludes other than permanent category of employees/workers.

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 21. Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Details Attached as Annexure 1				

## VI. CSR Details

	Response
22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover* for FY 2021-22 (in ₹ crore)	15,934
(iii) Net worth for FY 2021-22 (in ₹ crore)	38,643

\*Operating revenue

## VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	Current Financial Year FY 21-22			Previous Financial Year FY 20-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Investors (other than shareholders)	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Shareholders	Yes	9	0	NIL	5	0	NIL
Employees and workers	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Customers	Yes	10	2	NIL	12	0	NIL
Value Chain Partners	Yes	NIL	NIL	NIL	NIL	NIL	NIL
Other (please specify)	Yes	NIL	NIL	NIL	NIL	NIL	NIL

Details related to Grievance Redressal Mechanism is given in our Integrated Annual Report FY22

## 24. Overview of the entity's material responsible business conduct issues

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/negative implications)
1.	Biodiversity and Land Use	Risk	Our operations may have negative impact on marine biodiversity and land use. We have to minimize the severity and magnitude of these impacts. Risks related to biodiversity and land use could impact our reputation, market proposition, draw penalties from the regulators and affect our financial stability	<ul style="list-style-type: none"> <li>▪ We have developed site specific Biodiversity Management Plan for Mundra, Dhamra, Hazira, Kattupalli and Vizhinjam Ports.</li> <li>▪ Development footprint is kept outside Eco-sensitive area.</li> <li>▪ We have aligned five of our ports to Oil Spill Action plan in accordance with the National Oil Spill Disaster Contingency Plan (NOS-DCP), International Petroleum Industry Environmental Conservation Association.</li> <li>▪ Assessment results of approved projects are required to be released on half-yearly basis to the relevant authorities.</li> <li>▪ We have signed a CII-backed India Business and Biodiversity Initiative (IBBI).</li> </ul>	The process of identifying and quantifying the financial implications of the identified risks and opportunities is currently underway.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/negative implications)
2	Climate Change Adaptation & Mitigation	Risk	Our port operations are impacted by any natural phenomenon like cyclone, heavy rains, wind etc. Thus, without taking into account the impact that climate change will have on port infrastructure we will be placing our fundamental business asset at risk. Climate adaptation and mitigation are key to building a future-ready organisation. They can also reduce operational costs and drive greater efficiencies for the business.	<ul style="list-style-type: none"> <li>▪ We have completed physical risk assessment study for all our ports and have identified short and long term adaptation and mitigation measures for ports depending on identified risk.</li> <li>▪ We have strengthened our water sourcing to avoid fresh water use and attempt to have multiple water sources at each location. These activities strengthen our business continuity planning.</li> <li>▪ Focus on container business is influenced by the changing landscape of fossil fuels due to climate change.</li> <li>▪ We target to become 'Green Ports Company' and also become carbon neutral by 2025.</li> </ul>	
3	Human Rights	Risk	Upholding human rights is essential to protecting organisation's communities, employees and other stakeholders and also to avoid regulatory liabilities.	<ul style="list-style-type: none"> <li>▪ APSEZ has fostered an inclusive culture free from discrimination and powered by diverse employee capabilities.</li> <li>▪ The Company is committed to free and fair employment practices free of any harassment based on race, religion, colour, age, sexual orientation, national origin, disability or any other classification as mandated by local laws.</li> <li>▪ The Company's commitment to human rights is reflected in its governance, procurement and social strategy.</li> <li>▪ The Company has formalized Human Rights Policy aligned to UN Guiding Principles on Business and Human Rights.</li> <li>▪ The Human Rights Policy applies to all stakeholders, including permanent and contractual employees, communities, consultants, trainees, subsidiaries and business partners. The Company has a zero-tolerance approach to human rights abuses and instituted mechanisms for remediation.</li> <li>▪ To prevent child labour in the Company's business, we have installed a system-based entry (Cronos) and Aadhar checks for workers.</li> <li>▪ The Company provided awareness and training on human rights guidelines to suppliers.</li> <li>▪ APSEZ has developed human rights due diligence to identify and assess impacts and risks relating to human rights of employees, suppliers, customers and communities.</li> </ul>	

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/negative implications)
				<ul style="list-style-type: none"> <li>The Human Rights risk identification process covers our operation, value chain and new relations (mergers, acquisitions, joint ventures etc). Human Rights issues comprise child labor, forced labour, human trafficking, discrimination, equal remuneration, freedom of association and collective bargaining. The due diligence has been extended to employees, children, women, local communities, third party contracted workers, local communities, indigenous people and migrant workers.</li> <li>All the company's ports and offices were assessed on the basis of child labour, forced/involuntary labour, sexual harassment, discrimination at workplace and wages.</li> </ul>	
4.	Employee Health, Safety and Well-Being	Risk	Failure to ensure the health, safety and well-being of the Company's workforce can impact productivity. This can consequently affect our business operations, customer satisfaction and profitability.	<ul style="list-style-type: none"> <li>The Company strives to foster a safe working environment and ensure Zero Harm.</li> <li>Hazards and risks are periodically identified, with mitigation plans devised for each.</li> <li>All ports are having ISO 45001: 2018 Safety Management System in place.</li> <li>Incentive of all executives in the management level at each site is linked to safety related incidents at that site.</li> <li>Additionally, safety trainings are provided to employees and workers on a regular basis to ensure their holistic well-being.</li> </ul>	
5	Business Ethics, Integrity and Transparency	Risk	Ethical conduct, integrity and transparent two-way communication with stakeholders is integral to ensuring regulatory compliance and building stakeholder trust.	<ul style="list-style-type: none"> <li>The Company has instituted several policies and procedures on business ethics, integrity and transparency. Annual internal audits are being conducted to review the effective implementation of policies.</li> </ul>	
6	Risk Management	Risk	Devising appropriate risk mitigation strategies is integral to helping the Company leverage opportunities, stay ahead of the curve, and avoid shocks and disruptions to the business.	<ul style="list-style-type: none"> <li>Risks, including ESG risks, are periodically identified and a systematic approach is defined to managing them.</li> </ul>	
7	Training and Development	Opportunity	Equipping the workforce with the requisite technical and behavioral skills, through regular trainings, helps the Company raise the bar on quality of its offerings and become increasingly future-ready.	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>	

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/negative implications)
8	Environmental Disaster Preparedness	Risk	Acute environmental events have the potential to disrupt operations and the supply chain, inflict physical damage on the Company's facilities and drive-up operational costs.	<ul style="list-style-type: none"> <li>Business continuity plans have been formulated. Additionally, environment-related risks are being identified, and mitigation plans are being devised.</li> </ul>	
9	Regulatory Compliance	Risk	Failure to comply with regulatory requirements can manifest in financial consequences for the company and erode stakeholder trust.	<ul style="list-style-type: none"> <li>The Company has a robust set of environmental, social and governance-related policies to foster a culture of compliance within the organization.</li> <li>Disciplinary measures and reinforcement mechanisms have been defined as well.</li> <li>In addition, legal and functional teams also monitor the regulatory compliances across businesses at defined frequencies.</li> </ul>	
10	Anti-Bribery & Anti-Corruption	Risk	Preventing practices like bribery and corruption helps an organization to avoid liabilities, maintain stakeholder trust, and keep its leadership position.	<ul style="list-style-type: none"> <li>The Company has instituted an Anti-Bribery and Anti-Corruption Policy, in addition to others like the Code of Conduct, Whistle Blower Policy and other ESG policies to mitigate this risk.</li> </ul>	
11	Talent Attraction and Retention	Opportunity	Employing and retaining the right talent helps organization deliver value to its customers and maintain its leadership position.	<ul style="list-style-type: none"> <li>We have built a strong culture through acquiring right talent, providing engaging and motivating work environment, encouraging informed risk-taking, offering growth opportunities and developing future leaders from within, along with focus on building harmonious relationships between employees and ensuring stress free working environment.</li> </ul>	
12	Energy and Emissions Management	Risk	Controlling its energy consumption and emissions footprint is crucial to mitigate climate change. Adopting low-carbon technologies is also helping the organisation prepare for a future, which could bring more stringent legislation and taxation related to energy and emissions.	<ul style="list-style-type: none"> <li>An Energy &amp; Emission Management Policy has been instituted by the Company. It is designed to aid and formalize the Company's efforts to manage its energy consumption and emissions and align with country's goal to become net zero.</li> <li>Company has committed to become Carbon Neutral by 2025.</li> <li>We signed for the Science-Based Targets initiative (SBTi), becoming the first Indian port operator to commit to science-based emission reduction targets.</li> </ul>	
13	Labour Practices	Risk	Respecting human rights and ensuring sound labour practices allows the organisation to avoid regulatory action, avoid penalties, and empower its employees and workers.	<ul style="list-style-type: none"> <li>The Company adheres to all the laws of the land, related to human rights and labour practices. No forced child or compulsory labour is deployed by the Company, and its policy framework nurtures a diverse, safe and empowered workforce.</li> </ul>	

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/negative implications)
14	Community Development	Opportunity	Community development activities helps a company to create a positive impact on society by undertaking meaningful interventions to bring significant benefits to large sections of the society. The CSR efforts also help foster a more productive and positive work environment for employees.	<ul style="list-style-type: none"> <li>On behalf of APSEZ, the Adani foundation has been striving to create sustainable opportunities for the marginalized communities by facilitating quality education, sustainable livelihood development, promoting a healthy society and supporting rural infrastructure development. Our outreach as of now has been to 2,409 villages in 16 States across India.</li> <li>With an aim to contribute to the holistic development of communities, we are contributing to the global agenda of meeting Sustainable Development Goals (SDGs).</li> </ul>	
15	Responsible Supply Chain	Opportunity	Sound ESG practices in the value chain help the organisation to support local businesses, reduce its indirect environmental impact, and promote good governance amongst partner organisations.	<ul style="list-style-type: none"> <li>While onboarding, a new supplier has to sign a contract that includes terms and conditions w.r.t. to ESG related factors mentioned in our Supplier Code of Conduct</li> </ul>	
16	Economic Performance	Opportunity	Ensuring business profitability and strong economic performance helps deliver value to investors and reinvest in the growth of the business, employees, communities and other stakeholders.	-	

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Supplier-Code-of-Conduct.pdf>

## SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	<a href="https://www.adaniports.com/Investors/Corporate-Governance">https://www.adaniports.com/Investors/Corporate-Governance</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The suppliers are required to comply with all the Company's policies including ESG as stated in APSEZ Sustainable Procurement Policy and Suppliers Code of Conduct.								

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> <li>▪ UNGC</li> <li>▪ ISO 27001:2013</li> <li>▪ ISO 14001:2015</li> <li>▪ ISO 45001:2018</li> <li>▪ ISO 9001:2018</li> <li>▪ ISO 28000:2017</li> <li>▪ IFC Performance Standards</li> <li>▪ IBBI</li> <li>▪ CEO Water Mandate</li> <li>▪ IUCN</li> </ul>								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>The Company's commitment to contribute to sustainable development is well aligned with Adani Group's purpose of Nation Building that provides a guiding framework for investment in businesses that accelerate India's economic growth and enhance citizen wellbeing.</p> <p>We have worked to embed this sustainability commitment into our strategy, our business processes and decision-making. Some of our key ESG goals and ambitions include:</p> <p><b>Energy &amp; Emission</b></p> <ul style="list-style-type: none"> <li>▪ Carbon neutrality by 2025, and net zero thereafter</li> <li>▪ 100% RE share in total electricity by 2025</li> <li>▪ 50% Energy intensity reduction by 2025 vs. 2016</li> </ul> <p><b>Water and Waste</b></p> <ul style="list-style-type: none"> <li>▪ 60% reduction in water consumption intensity by 2025 vs. 2016</li> <li>▪ Single use plastic free sites (12 Ports + 4 ICDs + 14 Silo sites) by 2025</li> <li>▪ Zero waste to landfill for 12 ports by 2025</li> </ul> <p><b>Afforestation &amp; Conservation</b></p> <ul style="list-style-type: none"> <li>▪ 5000 Ha Mangrove afforestation by 2025</li> <li>▪ 1200 Ha Terrestrial plantation by 2025</li> </ul> <p><b>Stakeholder Engagement</b></p> <ul style="list-style-type: none"> <li>▪ Employee Satisfaction Rate of 4.5/5 by 2025</li> <li>▪ Supplier Satisfaction Rate of 4.75/5 by 2025</li> <li>▪ Customer Satisfaction Rate of 4.75/5 by 2025</li> </ul> <p><b>Safety</b></p> <ul style="list-style-type: none"> <li>▪ Zero fatalities and Zero Incidents by 2025</li> </ul> <p><b>Employee Turnover</b></p> <ul style="list-style-type: none"> <li>▪ &lt;4% Voluntary Attrition by 2025</li> </ul>								

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p><b>Performance till FY'22</b></p> <p><b>Energy &amp; Emission</b></p> <ul style="list-style-type: none"> <li>▪ 20% RE share in total electricity</li> <li>▪ 8% RE share in total energy</li> <li>▪ 38% Energy intensity reduction*</li> <li>▪ 45% Emission intensity reduction*</li> </ul> <p><b>Water and Waste</b></p> <ul style="list-style-type: none"> <li>▪ 59% Water consumption intensity reduction*</li> <li>▪ 6 Ports are Zero Waste to Landfill Certified</li> <li>▪ Single Use Plastic (SUP) Free (9 Ports completed+4 ICDs in progress)</li> </ul> <p><b>Afforestation</b></p> <ul style="list-style-type: none"> <li>▪ 3239 Ha Mangrove afforestation</li> <li>▪ 1000 Ha Terrestrial plantation completed</li> </ul> <p>*From base year</p> <p><b>Stakeholder Engagement</b></p> <ul style="list-style-type: none"> <li>▪ Employee Satisfaction Rate of 4.11</li> <li>▪ Supplier Satisfaction Rate of 4.1</li> <li>▪ Customer Satisfaction Rate of 4.1</li> </ul> <p><b>Safety</b></p> <ul style="list-style-type: none"> <li>▪ 0 Fatality (Employee + FTE on Contract)</li> <li>▪ 3 Fatality (Contractors Worker)</li> <li>▪ 50% reduction in fatality</li> </ul> <p><b>Employee Turnover</b></p> <ul style="list-style-type: none"> <li>▪ 10.39% Voluntary Attrition</li> </ul>								
<b>Governance, leadership and oversight</b>										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Refer to the CEO message in the Integrated Annual Report FY22								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>The Board of the Company has constituted a Corporate Responsibility Committee (CRC) comprising solely of the Independent Directors to oversee strategies, activities and policies including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework.</p> <p>At the corporate level, the implementation of sustainability agenda is carried out by the SLC (Sustainability Leadership Committee).</p>								

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9								
		<p>The said committee is responsible, interalia for:</p> <ol style="list-style-type: none"> <li>Periodically conduct stakeholder assessment and their material interests, to enhance the effectiveness of sustainability initiatives and the implementation status.</li> <li>Review and approve any reporting on sustainability aspects to the public or government agencies.</li> <li>Implement industry best practices and standards, to ensure that the Company's sustainability strategy minimizes environmental impact and creates shared value in the long term for stakeholders</li> <li>Manage risks in all forms, by applying controls and testing their effectiveness against environmental risks and opportunities, social impacts, and activities related to stakeholder engagement</li> <li>The committee is also supported by Board Committees including CSRC (Corporate Social Responsibility Committee), SRC (Stakeholder Responsibility Committee) &amp; RMC (Risk Management Committee).</li> </ol> <table border="1"> <thead> <tr> <th>Name of Member</th> <th>Composition of Committee</th> </tr> </thead> <tbody> <tr> <td>Prof. G Raghuram DIN No: 01099026</td> <td>Chairman (Independent Director)</td> </tr> <tr> <td>Mr. G. K. Pillai DIN No: 02340756</td> <td>Member (Independent Director)</td> </tr> <tr> <td>Mr. P.S.Jayakumar DIN No: 01173236</td> <td>Member (Independent Director)</td> </tr> </tbody> </table>									Name of Member	Composition of Committee	Prof. G Raghuram DIN No: 01099026	Chairman (Independent Director)	Mr. G. K. Pillai DIN No: 02340756	Member (Independent Director)	Mr. P.S.Jayakumar DIN No: 01173236	Member (Independent Director)
Name of Member	Composition of Committee																	
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Mr. G. K. Pillai DIN No: 02340756	Member (Independent Director)																	
Mr. P.S.Jayakumar DIN No: 01173236	Member (Independent Director)																	
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	As mentioned above, the Board of the Company has constituted a Corporate Responsibility Committee comprising solely of the Independent Directors, which meets on a quarterly basis, and is highest authority responsible for decision making on sustainability related issues.																

#### 10. Details of Review of each NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - pls specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								
Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - pls specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	P6	P7	P8	P9					
	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated																		
The entity does not consider the Principles material to its business (Yes/No)																NA		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																NA		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)																NA		
It is planned to be done in the next financial year (Yes/No)																NA		
Any other reason (please specify)																NA		

## SECTION C: PRINIPLE WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

### 1. Percentage coverage by training and awareness programs on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Employees other than BoD and KMPs	72866* (Man Hrs)	Health & Safety, Working Condition, POSH, Information Security, Wellbeing Sustainability, Human Rights, Workplace diversity equity and inclusion, ESG, Policies, Code of Conduct, stakeholder partnering, HR, Industrial Relations, Conflict Management, Innovation, Digital Transformation, Grievance Management, Performance Feedback, Strategic orientation, Communication, Networking, Risk-Reward Management, Risk Management, Sustainability in Strategic Planning, Insider Trading, Water & Waste Management, Biodiversity Conservation & Management etc	100
Workers	170300# (Man Hrs)	Health & Safety, Working Condition, Sustainability, Human Rights, ESG, Policies, Code of Conduct, Supervisory Skills etc	100

\*Total Man Hrs for on-roll employees

#Total Man Hrs for Contractors workforce

Note: For Board of Directors & KMP the indicator is not tracked separately. However training & awareness program on Risk Management, Human Rights, Prevention of Sexual Harassment at Workplace (POSH), Digital Transformation, ESG, Code of Conduct, Insider Trading, Workplace diversity equity and inclusion, ESG Policies, Compliance, etc are conducted

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

#### Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty / Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fees	NIL	NIL	NIL	NIL	NIL

#### Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Imprisonment	NIL	NIL	NIL	NIL	NA
Punishment	NIL	NIL	NIL	NIL	NA

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. The Company has an Anti-Corruption and Anti-Bribery policy (ABAC) in place.

The Company is committed to upholding the utmost standards for transparency and accountability in all its operations and strives to attain its purpose through compliance with national and international legal and ethical requirements. The Company does not tolerate any form of bribery, embezzlement, or corruption, and will uphold all applicable laws countering these unethical practices.

The Company's ABAC Policy lays out the spirit and guiding principles for all stakeholders to ensure compliance with the applicable laws, rules, and regulations. The Company also complies with all applicable anti-money laundering laws wherever it does business, including any applicable registration and suspicious transaction reporting obligations.

The ABAC Policy applies to all dealings, transactions, and expenses for and on behalf of the Company. This policy applies to all stakeholders working for or acting on behalf of the Company or any of its subsidiaries, and such persons must adhere to this policy.

Weblink: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/AntiBribery--AntiCorruption-Guidelines.pdf>

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

**6. Details of complaints with regard to conflict of interest:**

	FY 2021-22 (Current Financial Year)		FY 2020-21 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	-	NIL	-

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

## Leadership Indicator

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total No of Awareness Programs held	Topic principles covered under training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes)#
Suraksha Samvad - 50+ Sampark - 177 Supplier Sustainability Assessment Survey - 840	Health & Safety, Working Condition, Sustainability, Human Rights, ESG, Policies, Code of Conduct, stakeholder partnering, HR, Industrial Relations etc	-

\*Nos shown are value chain participant no on these programs & initiatives. For details on these programs and initiatives refer response to Question no. 6 of Leadership Indicator in Principle 3 and also Supplier section in Integrated Annual Report FY22

#Indicator is not tracked separately as of now

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, Company has framed a Policy for Code of Conduct applicable for all the members of the Board of Directors and all the members of Senior Management of the Company, detailing the process and management of Conflict of Interest available at [https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code\\_of\\_Conduct.pdf](https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Code_of_Conduct.pdf)

(See Section 6, Page 6-7).

## Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

### 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current FY 2021-22	Previous FY 2020-21	Details of improvements in environmental and social impacts
R&D*	-	-	<b>Environment:</b> Resource conservation, biodiversity conservation & improvement, emissions & overall GHG reduction, waste reduction  <b>Social:</b> Livelihood improvement, improvement in health & wellbeing, community infrastructure improvement, community health improvement etc.
Capex*	209.69 (crore)	77 (crore)	

\*We are not a manufacturing entity. We are in the business of managing cargo at the port. Hence R&D is not very significant. However, Company is making substantial capital investment in the areas of renewable installation, electrification of cranes & other equipments/machinery, electrification of rail route, water conservation, wastewater and waste management, emission reduction etc to minimize GHG emission, reduce waste, and conserve natural resources. Company is also carrying out various initiative for community & social welfare and impact assessment is carried out to evaluate outcome of social interventions. All these actions and initiatives are to improve environmental and social impacts.

### 2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?

Yes. APSEZ is committed to achieving its goals of lawful and fair business practices by integrating various ESG considerations such as the respect of human rights, business ethics, and environmental friendliness of products and services into its supply chain decision making. The Company has system, policies and procedure in place for sustainable sourcing. We are guided by our Sustainable Procurement Policy <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Sustainable-Procurement-Policy.pdf> and Supplier Code of Conduct (<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Supplier-Code-of-Conduct.pdf>) which covers sustainable sourcing requirement related to development of systems & process, products, and services (including office products).

For sustainable sourcing we consider the following in our procurement decisions

- Suppliers are operating their facilities in compliance with all applicable environmental laws, regulations, obligations, safeguards, and controls to prevent health and safety risks and with an endeavor to go beyond the compliances
- Suppliers strive to continually improve the environmental performance by setting objectives, targets, and processes for efficient use of natural

resources, energy, water, prevention on use of hazardous or toxic substances, waste minimization, emission reduction, and pollution prevention

- Supplier's measure, monitor and review the environmental performance of the organization at regular intervals and get it audited (internal/external) before communicating to relevant stakeholders.
- Suppliers ensure eco-friendly manufacturing with minimum and environmentally compatible/recyclable packaging.
- Suppliers conduct business activities with high ethical and moral standards and respect Human Rights considerations of other stakeholders, including their employees.
- Suppliers act responsibly with their stakeholders and collaborate and associate with them, particularly the local community for their development.
- Procurement of recycled/part recycled product with extended producer responsibility.
- Procurement of product with certification and eco-labels wherever applicable.

APSEZ believes that the development of its suppliers is imperative for its business growth. Therefore, the Company is committed to working with suppliers to inculcate APSEZ's Sustainable Procurement policy that focuses on - reduced use of toxic substances, conservation of natural resources, minimization of waste generation and release of pollutants/

emissions, maximizing reusability and recyclability across value chain, prohibiting the use of child labour, complying with applicable wage and hour laws, ensuring safe and healthy working environment for employees/ workers, ensuring safe/ clean/ secure accommodation to employees/workers, ensuring no discrimination on basis of race/ colour/ gender/ age/ nationality/ religion/ sexual orientation/ marital status/ citizenship/ disability/ medical condition and community welfare. Alongside, APSEZ is supporting its suppliers to develop and implement a Sustainable Procurement Policy at their end

Apart from Sustainable Procurement Policy and Supplier Code of Conduct, we have also implemented internal system for vendor registration which includes supplier screening based on ESG criteria. This system helps to ensure that the vendor onboarded meets all the sustainability criteria defined by the system.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company is in the port and infrastructure development sector, which provides services for cargo handling & logistic, operations & maintenance of port sector. Being a service industry, we don't have potential to reclaim our products for re-use and recycling of generated waste in our operations.

However, the Company complies with all applicable regulatory requirements pertaining to waste management. The Company has defined processes for managing waste at each of its sites/locations. As part of vision for Zero Waste, APSEZ has taken several initiatives in the handling and management of waste at all operating port locations by focusing on 5R principles of waste management i.e. Reduce, Reuse, Reprocess, Recycle and Recover. As part of the

initiative Mundra, Kattupalli, Ennore, Dhamra, Goa, and Tuna sites have achieved Zero Waste to Landfill Assurance Statement. All our operating ports are certified as Single Use Plastic (SUP) free.

The hazardous wastes are handled, segregated, stored and transported in accordance with applicable regulatory requirements and best industry practices. The hazardous waste is disposed of in an environmentally sound manner through authorized vendors for recycling as required by regulation. In addition, we work with our customers to manage their wastes through appropriate channels. Waste collection and segregation systems are installed from the waterfront to the gate, enabling systematic waste handling. Hazardous waste (chemicals, sludge, oil etc.) collected from incoming vessels was channelised through a separate line, which is handed over to authorised third party dealers. Under the International Maritime Organisation's MARPOL 73/78 convention, vessels that call at our port deliver their waste safely to our facility at a nominal charge, in alignment with the 'polluter pays' principle.

Other Major initiatives include, reuse of treated sewage, recycling of paper, plastic, metal, E-waste, used oil etc., reprocess of food waste, STP & ETP sludge, oily cotton waste etc.

Our strategic intent is to eliminate or reduce the generation of waste to divert waste from disposal through reuse and recycling wherever possible.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Owing to the nature of the Company's product/service offerings, EPR is not applicable to the Company.

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**1. a. Details of measures for the well-being of employees:**

Our people form an integral part of our journey towards transformational, responsible and sustainable change. Our people policies are designed to provide an excellent work environment which is safe, conducive, harmonious and support all round development of our employees. Our efforts to nurture our Human Capital are in alignment with our ESG commitment.

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	% (D/A)	No.(E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent employees</b>											
Male	2116	2116	100	2116	100	NA	NA	2116	100	-	-
Female	34	34	100	34	100	34	100	NA	NA	-	-
<b>Total</b>	<b>2150</b>	<b>2150</b>	<b>100</b>	<b>2150</b>	<b>100</b>	<b>34</b>	<b>1.6</b>	<b>2116</b>	<b>98.4</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent employees</b>											
Male	72	72	100	72	100	NA	NA	72	100	-	-
Female	3	3	100	3	100	3	100	NA	NA	-	-
<b>Total</b>	<b>75</b>	<b>75</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>3</b>	<b>4</b>	<b>72</b>	<b>96</b>	<b>-</b>	<b>-</b>

b. Details of measures for the well-being of workers:

In order to ensure safety and well-being at workplace, we conduct various trainings for all our employees as well as contractual workers. We focus on making the trainings relevant and practical by engaging our workforce in different modules. We also conduct various awareness and health promotion activities for our employees and contractual workers.

At all our sites we carry out periodical medical examination for employees as well as contractual workers, in compliance to the applicable regulations.

We also have specific health standards and undertake first aid and health emergency management and have employed qualified medical practitioner at each of our business locations. To protect our employees and contractual workers, appropriate personal protective equipment's (PPEs) are also provided.

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No.(D)	% (D/A)	No.(E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent workers</b>											
Male	506	506	100	506	100	NA	NA	506	100	-	-
Female	4	4	100	4	100	4	100	NA	NA	-	-
<b>Total</b>	<b>510</b>	<b>510</b>	<b>100</b>	<b>510</b>	<b>100</b>	<b>4</b>	<b>0.8</b>	<b>506</b>	<b>99.2</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent workers</b>											
Male	1	1	100	1	100	NA	NA	1	100	-	-
Female	0	0	100	0	NA	NA	NA	NA	NA	-	-
<b>Total</b>	<b>1</b>	<b>1</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>NA</b>	<b>NA</b>	<b>1</b>	<b>100</b>	<b>-</b>	<b>-</b>

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted & deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y
Others - Pls specify	NIL	NIL	NA	NIL	NIL	NA

**3. Accessibility of workplaces**

At our corporate office, we have made special provisions for differently abled employees and workers in accordance with Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone, and we acknowledge the importance of having diverse and equitable work environment. We have designed workplaces for providing assistance or making changes to a position or workplace to enable employees with disabilities for carrying out their jobs.

Our Corporate office has ramps at entry locations and lobbies to facilitate wheelchairs. We have dedicated toilets for differently abled employees. We have elevators with Braille signs, designed for blind people or visually impaired people. Our other locations also comply with all the national/local requirements to accommodate differently abled person and their needs.

All the Company's existing and new infrastructure has implemented comprehensive plan to address accessibility of workplaces for differently abled employees. Work areas, rest rooms, common areas and areas for movement in and around facilities have been designed with all accessibility aspects in mind.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. The Company is committed to delivering value through equality and to nurture and promote human diversity across its operations.

We promote an inclusive work culture of creating a supportive professional environment that promotes trust, empathy, and mutual respect. Our policy on Employment of Differently-abled People and Diversity and Inclusion has been developed in line with our commitment.

Weblink:

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Employment-of-Differently-abled-People---Guidelines---APSEZ.pdf>

<https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Diversity-and-Inclusion-Guidelines.pdf>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate*	Retention rate	Return to work rate*	Retention rate
Male	57	100	9	100

Gender	Permanent employees		Permanent workers	
	Return to work rate*	Retention rate	Return to work rate*	Retention rate
Female	0 (OUT OF 1)	NA	0	NA
Total	58	98.28	9	100

\* Return to work nos are disclosed

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Permanent Workers	<p>Yes.</p> <p>An online grievance redressal mechanism is available for permanent employees and workers. The system is designed to redress the grievance within a defined timeline of 14 working days. The grievances are resolved in fair and time bound manner maintaining utmost confidentiality.</p>
Other than Permanent Workers	<p>Yes.</p> <p>Workers that are engaged on contractual basis can report their grievances to their respective contractor representative or the company supervisor. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads.</p>
Permanent Employees	<p>Yes.</p> <p>Apart from the on-line grievance redressal platform, the Company also has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has Internal Complaints Committees (ICCs) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the ICCs are responsible for conducting inquiries pertaining to such complaints.</p> <p>The Company, on a regular basis, sensitizes its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programs.</p>
Other than Permanent Employees	<p>Yes.</p> <p>Suppliers, Consultants, Retainers, Clients or any other parties that are engaged on a project / periodic basis are governed by the terms &amp; conditions of the contract. Grievances if any, can be raised with concerned HR Business Partners and respective functional heads.</p>

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

The Company does not have any employee associations. However, we recognize the right to freedom of association and does not discourage collective bargaining. Three collective bargaining agreements exist (No trade union).

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees	2150	NIL	NIL	-	NIL	NIL
-Male	2116	NIL	NIL	-	NIL	NIL
-Female	34	NIL	NIL	-	NIL	NIL
Total Permanent Workers	510	NIL	NIL	-	NIL	NIL
-Male	506	NIL	NIL	-	NIL	NIL
-Female	4	NIL	NIL	-	NIL	NIL

#### 8. Details of training given to employees and workers:

Category	FY 2021-22 Current Financial Year					FY 2020-21* Previous Financial Year				
	Total (A)	On Health & safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	2188	1495	68.3	2180	99.6	-	-	-	-	-
Female	37	28	75.7	37	100	-	-	-	-	-
<b>Total</b>	<b>2225</b>	<b>1523</b>	<b>68.4</b>	<b>2217</b>	<b>99.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Workers</b>										
Male	507	318	62.7	177	34.9	-	-	-	-	-
Female	4	2	50	1	25	-	-	-	-	-
<b>Total</b>	<b>511</b>	<b>320</b>	<b>62.6</b>	<b>178</b>	<b>34.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*We didn't track the information in FY 2020-21 due to Covid restrictions and transition to online mode of working

#### 9. Details of performance and career development reviews of employees and worker:

We have a robust Performance Management process with an objective to establish utmost clarity in terms of the process to be followed at each step and what is expected from all the stakeholders involved. The process covers activities related to measuring performance of all employees as part of the year-end review, rating & promotion recommendation, moderation and individual feedback. We also have a performance review group (PRG) consisting of a group of people who discuss the performance and behavioral aspects of an individual.

All the employees undergo an annual performance appraisal process as determined by the Company.

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2188	2083	95.20*	1974	1833	92.86
Female	37	30	81.01*	18	14	77.78
<b>Total</b>	<b>2225</b>	<b>2123</b>	<b>94.96*</b>	<b>1992</b>	<b>1847</b>	<b>92.72</b>
<b>Workers</b>						
Male	507	505	99.56	468	464	99.14
Female	04	04	100	2	1	50
<b>Total</b>	<b>511</b>	<b>509</b>	<b>99.6</b>	<b>470</b>	<b>465</b>	<b>98.94</b>

\*Rest of the employees were not eligible for performance appraisal as per applicable service rules of the Company

#### 10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, all our ports are certified with ISO 45001: 2018/ OSHAS 18001 "Management System". It is applicable to the company's entire operations/ employees as well as contractors or individuals under the company's supervision. It is developed in Consultation with workers and their representatives.

The Company has adopted and implemented the Adani Group's Safety Management System framework which is built on International Safety Standards such as ISO 45001, by integrating all critical business activities and applying principles, processes in order to provide safe and healthy workplaces across all Company's establishments, prevent work related injury and ill health, minimize risks and continuously improve safety performance.

Eight major elements of Adani Safety Management System are on performance orientation, executive commitment, teamwork orientation, employee empowerment and enlistment, scientific decision making, continual improvement, comprehensive and ongoing training, and unity of purpose.

The Company's businesses (covered in this report) are well aligned with Adani Safety Management System and have well defined internal controls to implement the safety requirements on the ground.

The sites/locations have also linked Adani Safety Management System with their existing Integrated

Management System (IMS), e.g., ISO 14001 (EMS), and ISO 45001 (OHSMS).

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

#### Process:

APSEZ has established and aligned globally recognized high level Safety Intervention and Risk Assessment programs such as Safety Interaction (SI), Vulnerability Safety Risks (VSR), Site Risk Field Audits (SRFA), Process Hazard Analysis (PHA), and Pre-Startup Safety Review (PSSR) with Business specific Integrated Management System based Hazard Identification and Risk Assessment Process (HIRA) and Job Safety Analysis (JSA). The Company has adopted this framework and the reporting businesses have developed an ecosystem of participative and consultative approach for engaging concerned stakeholders, including, employees, associates, and contract workmen.

The Company recognizes that the dynamic risks need to be managed and mitigated as per Hierarchy of Control to protect its stakeholders and achieve objective of Zero Harm with enablement of Sustainable Growth.

These interventions bring together an understanding of the potential upside and downside of all job and personal factors which can impact the organization with an objective to prevent injury, protect assets and add maximum sustainable value to all the activities and processes of the organization.

**Governance:**

Safety Management Committee is responsible for implementing process safety by conducting risk assessment [i.e. HAZOP study, PHA, HIRA etc.] for existing system and implementation of recommendations of assessment.

**Capacity Building:**

Many drives are taken across units to create awareness on identification of high-risk activities such as work at height, Confined Space, Lock Out Tag Out Try Out (LOTOTO) etc. and training on its standards. We acknowledge the fact that operations free from risks on health have the potential to escalate productivity also. Hence, we have processes in place to manage and monitor health risks of employees, right from the time of their first interaction with the company. We are having OH&S management system (as per the requirement of OHSAS 45001/ ISO 18001) for managing OH&S risks related to our activities, with HIRA in place for all activities and for every significant risk, appropriate control measure are implemented as per control measures hierarchy i.e. elimination, substitution, engineering, administration & Personal Protective Equipment (PPE).

Also refer OHS section of Integrated report for details of OHS governance, system/process, training, performance and related details.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, The Company uses the well established Incident Management and Investigation System for fair and transparent reporting of work-related hazards and risks as unsafe Acts/ unsafe Conditions, near misses, injuries and illness and serious incidents. This is followed by a comprehensive Root Cause Failure Analysis (Investigation), formulation of corrective

actions as per Hierarchy of Controls, its tracking and monitoring and subsequent closure. The outcome and learnings from these events and incidents are deployed horizontally across the Group through a systemic process of 'Critical Vulnerable Factor' (CVF) as a part of Safety Governance Process. The progress on CVF is reviewed during Adani Apex Group Safety Steering Council Meetings as well as during their Business Safety Council Meetings.

To facilitate this, an advanced digital platform (GENSUITE) on OH&S Reporting has been deployed by APSEZ. The Company access this platform through its machines as well as native and lite Mobile App version

Moreover, each site has suggestion boxes where employees, workers and business partners can report grievances, and suggestions for improving the safety performance. Employees and workers can also report incidents and inaction on the safety incident through a formal whistle blower portal, the details of which are displayed at each site.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, the employees and workers have access to non-occupational medical and healthcare services. We care for our employees' and our business partners' health and well-being, and provide them with well-equipped hospitals across locations. We have some of the best medical insurance and accident coverage policies to help employees deal with medical emergencies. Periodic health check-ups and awareness sessions for all employees are conducted regularly. Not only the physical well-being, but the mental well-being of our employees is also taken care of. We conduct several programs across locations to help employees deal with stress and maintain a healthy work-life balance.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	Current FY (2021-22)	Previous FY (2020-21)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.21
	*Workers	0.26	0.27
Total recordable work-related injuries	Employees	0 (LTI)	1 (LTI)
	Workers	45 (LTI-16, Fatal-3, MTC-26)	49 (LTI-16, Fatal-6, MTC-27)

Safety Incident/Number	Category	Current FY (2021-22)	Previous FY (2020-21)
No. of fatalities	Employees	0	0
	Workers	3	6
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\*Workers - Contractors workers

## 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Health and Safety of our people is of utmost importance to us. To achieve this, we have adopted a shared responsibility approach, with increased engagements at all levels of workforce and strengthening the safety culture across all Company's businesses. We are taking steps to reduce reportable incidents, minimize injuries and regularly monitor the safety performance of our sites.

Our occupational health and safety management system is also well aligned with Adani Safety Management System framework and covers all employees, contractors, business associates, visitors and the community as well. In addition to that, all our sites are ISO 45001 (2018) certified.

As a part of our strategy to prevent health and safety related incidents, we have identified two focus areas which are contractor safety management (CSM) and operational discipline. CSM procedure provides support in manpower deployment whereas the operational discipline ensures that proper measures to eliminate hazards are taken at all our sites.

All our employees and contractors are provided with appropriate PPEs and it is ensured that they are not negligent in using them. We are providing job related training to our employees to perform given task safely along with display of do's and don'ts at prominent locations of the sites. Beside this, we have stringent work permit system in place. Toolbox talks, task briefing, job specific training, job hazard analysis and mock drill help us in building safety culture within our businesses.

Mental and emotional health is a core part of our work culture. In view of this, an emotional wellness program was launched as part of Adani Care- Our integrated suite of health and well-being services and support platform. As an inclusive health service, the program offers professional and confidential counselling for our employees. Family member of our employee can also avail these services at any time of the day and in any location.

We also have various rewards and recognition programs in place to appraise the champions of safety working in Company's businesses.

## 13. Number of Complaints on the following made by employees and workers:

Category	Current FY (2021-22)			Previous FY (2020-21)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	-	NIL	NIL	-
Health & Safety	NIL	NIL	-	NIL	NIL	-

## 14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of our sites are assessed on Health & Safety parameters as part of ISO 45001 audit
Working Conditions	100% of our sites are assessed on Working Conditions as part of our internal compliance program which is linked to the policies

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

All incidents are investigated thoroughly as per APSEZ Safety Guidelines on Incident Reporting & Investigation and learning is shared across sites to ensure non-occurrence of the similar incidents. Also, employees and workers are encouraged to report maximum number of unsafe acts and conditions to eliminate such incidents.

### LEADERSHIP INDICATORS

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes. For Employees to safeguard and support them from uncertainties and during unfortunate times or distress, we have introduced 'Group Term Life Insurance' policy.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The entity ensures adherence to statutory compliances related to workers such as timely wage payment, and Provident fund. In case of non-compliances stringent actions are taken against defaulter business partner.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers (No. of fatalities)		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment*	
	2022	2021	2022	2021
Employees	0	0	NA	NA
Workers**	3	6	*	*

\*The indicator is not tracked separately as of now.

\*\*Contractors workers

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, some of the highly qualified employees are retained as advisors after the retirement. During the employment, several skill upgradation programs are imparted to employees to facilitate continued employability.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety practices	-
Working Conditions	-

\*The indicator is not tracked separately. However assessment on Health and safety practices & working condition of value chain partners has been carried out details of which can be seen in Supplier section of Integrated Annual Report FY22

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

- Suraksha Samvad sessions were conducted with 50+ key major contractors from various sites during which detailed discussions were held with suppliers covering topics such as Safety Requirements & Standards of APSEZ and Introduction to Contractor Safety Management (CSM) Portal. Grievances were addressed. This initiative will continue into FY 2022-23 and the company aims to cover 100% contractors by the end of FY 2023.

- A supplier awareness initiative named Sampark was launched in March 2022 to communicate APSEZ's vision on Safety, Sustainability & HR and industrial relations requirements. The first session in March 2022 was attended by 177 participants. With more sessions planned, the company targets to cover 1000+ suppliers in FY23.
- The third edition of Supplier Sustainability Assessment survey was launched in February 2022 to gauge supplier compliance on ESG credentials including assessment of working condition and Health & Safety practices Any suggestions on improvement formed a part of the survey.

#### Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

##### 1. Describe the processes for identifying key stakeholder groups of the entity.

We have identified our relevant stakeholder groups on the basis of factors impacting our business. Any individual or group of individuals or institution that adds value to the business chain of the Company is identified as a core stakeholder. This inter alia includes customers, suppliers, communities, government regulators, shareholders and employees. That said, identification of stakeholders is an on-going process. We proactively engage with our stakeholders on a regular basis. For long term ongoing projects, stakeholders are identified before initiation of the project, basis the geographical area of the project as well as through the baseline & need assessment that is conducted. For any new proposed project or expansion, we map and engage with all such stakeholders on a proactive basis, particularly through our CSR activities. Further, we have stakeholder management processes in place at all our locations.

Our stakeholder identification and prioritization process is based on inclusivity, materiality and responsiveness.

Our stakeholder groups have been majorly classified as:

**Direct:** Customers, Employees, Suppliers, Investors, Shareholders, Government, Local authorities and Neighboring Communities.

**Indirect:** Peers, Rating Agencies, Third Party Agencies, Associations, International Community, Media, Research Agencies, Citizens and NGOs.

##### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key identified stakeholders	Whether identified as Vulnerable and marginalized group (Yes/No)	Channel of communication	Frequency of engagement	Purpose and scope of engagement
Customers	No	Customer meet, online survey, e-mails, online grievance mechanism, reports, brochures, feedback mechanism, website, customer support cells	Quarterly, annually, as and when required	Service information, transaction, awareness, feedback, query, grievances
Employees	No	Online survey, magazines, e-mails, intranet, reports, website, online grievance mechanism, one-to-one interactions, Town Hall meetings and brochures, HR communication	Continuous, weekly, monthly, quarterly and annually	Career/ performance discussion, policy communication, team building
Suppliers	No	Online survey, e-mails, vendor meet, online grievance mechanism, site visits, one-to-one interactions, reports and website	Quarterly, annually, as and when required	Business info, transaction, awareness, training feedback, query, grievances

Key identified stakeholders	Whether identified as Vulnerable and marginalized group (Yes/No)	Channel of communication	Frequency of engagement	Purpose and scope of engagement
Community	Yes	Focused group discussions, one-to-one interactions, media, website, online grievance mechanism and field visits	As required	CSR, complaints, awareness
Investors, shareholders and third-party ESG rating agencies	No	Reports, website, investor meets, one-to-one interactions, annual general meeting (AGM) and online grievances mechanism, e-mails	Ongoing	Business sustainability, economic performance
Regulatory authorities	No	Reports, website, one-to-one interaction, events, e-mails, letters and meetings	Annually and as required	Compliance

## LEADERSHIP INDICATORS

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

To guide our approach to stakeholder engagement, we have established Stakeholder Engagement Policy. The appointment of respective stakeholder representatives enables this exercise to be conducted more efficiently as these representatives' act as a channel to enable two-way engagement between the organization and stakeholders.

Consultation with the stakeholders is a continuous process. It is led by Leadership from the front through regular engagements at various platforms. There is continuous dialogue with the community stakeholders which are reviewed at Business Unit levels. Also, every two years through the third-party engagement, impact, baseline and need assessment, feedback from the stakeholders is taken. In addition to this through regular engagements at various platforms there is continuous dialogue with the stakeholders and the same is also presented to the Board. Also, this year Company has gone beyond the compliance part and have undertaken the perception study across our operational areas to get feedback and know the thoughts of our stakeholders.

Public consultations is also a part of the new project and expansion plans, where feedback and views of the stakeholders is considered for project design.

Corporate Responsibility Committee and Stakeholder Relationship Committee is responsible for structuring Sustainability Strategy and long-term goals & targets, also plays a key strategic role in all business decisions to ensure workplace safety, eliminating any potential damage to the environment, enhancing a commitment towards stakeholders, and maintaining Company's reputation as one of leading Ports company.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Business partners are encouraged to share inputs and feedback during various stakeholder interactions within our business. Stakeholder consultation is used to support and strengthen the Company's initiatives. Financial planning, CSR outflows, program designing, etc. is been taken up as per the materiality assessment.

We engage with selected stakeholders, identified on the principles of responsibility, influence, impact and dependency. Customised questionnaires for various stakeholder categories are developed to identify areas of concern or ongoing focus desired by stakeholders. This is to facilitate consultative process to ensure full

coverage of environmental, social and governance issues as well as the involvement of the personnel and management of APSEZ to address all stakeholder queries and grievances.

The results of the materiality survey are used to identify material topics, with the highest priority for stakeholders and the biggest estimated impact on Adani Port's business into high-high and high-medium priority areas. The responses included various stakeholders, such as senior/middle management employees, contract employees, suppliers etc.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company identifies the disadvantaged, vulnerable and marginalized stakeholders on an on-going basis. Any new proposed project or expansion is mapped by engaging the stakeholder proactively, specifically via CSR activities. A comprehensive stakeholder management and grievance mechanism exists at all our locations.

Company engages with the disadvantaged, vulnerable and marginalized stakeholders through various CSR programs with an aim to empower women and make them financially independent and also develop their skills towards leadership and economic enhancement. Various CSR initiatives undertaken be it for farmers, women, students, unemployed youth, etc.

Also, this year, Company supported vulnerable and marginalized stakeholders during pandemic and reached out to them through various CSR initiatives.

Please refer to the CSR section of our Annual Integrated Report FY22 for more details.

#### Principle 5: Businesses should respect and promote human rights

##### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total (A)	No. employees or workers covered (B)	% (B / A)	Total (C)	No. employees of workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2,150	2,150	100	-	-	-
Other than permanent	75	75	100	-	-	-
<b>Total Employees</b>	<b>2,225</b>	<b>2,736</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Workers</b>						
Permanent	510	510	100	-	-	-
Other than permanent	1	1	100	-	-	-
<b>Total Workers</b>	<b>511</b>	<b>511</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Data for FY 2020-21 for the indicator is not tracked. However Human Right training & awareness is conducted on a regular basis and organizations policy/guidelines are kept on Company website and are displayed across facilities for easy access to all the stakeholders and as a mean of creating awareness.

## 2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2021-22 Current Financial Year					FY 2020-21 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	2150	NA	NA	2,150	100	-	-	-	-	-
Male	2116	NA	NA	2,116	100	-	-	-	-	-
Female	34	NA	NA	34	100	-	-	-	-	-
Other than Permanent	75	NA	NA	75	100	-	-	-	-	-
Male	72	NA	NA	72	100	-	-	-	-	-
Female	3	NA	NA	3	100	-	-	-	-	-
<b>Workers</b>										
Permanent	510	NA	NA	510	100	-	-	-	-	-
Male	506	NA	NA	506	100	-	-	-	-	-
Female	4	NA	NA	4	100	-	-	-	-	-
Other than Permanent	1	NA	NA	1	100	-	-	-	-	-
Male	1	NA	NA	1	100	-	-	-	-	-
Female	0	NA	NA	0	NA	-	-	-	-	-

\* Data for FY 2020-21 for the indicator is not tracked.

## 3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2	440	0	NA
Key Managerial Personnel	3	440	0	NA
Employees other than BoD and KMP	2188	10.59	37	6.55
Workers	507	5.97	4	2.45

## 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Corporate Responsibility Committee is responsible for addressing human rights impacts or issues caused or contributed to by the business

## 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Stakeholders can raise concerns pertaining to human rights issues as per Whistleblower Policy or by using online grievance management system available on Company website or by directly reaching to the Grievance redressal team through dedicated email - grievance.apsez@adani.com. Organization does not impede access to state-based judicial processes.

Business HR conducts periodic audits to ensure compliance with the Human Rights Policies and ensure any issues or impacts are addressed in the defined manner within the stipulated timeline.

#### 6. Number of Complaints on the following made by employees and workers:

	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour / Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

#### 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

APSEZ has zero tolerance towards discrimination, bullying, harassment and inappropriate or abusive conduct by its stakeholder groups. We include following points to prevent adverse consequences to the complainant in discrimination and harassment cases.

- To keep an eye on any harassment and discrimination cases within our company, the Corporate Responsibility Committee ensures a strategic alignment of sustainability and human rights with the business. The Risk Management Committee oversees the potential and actual risk pertaining to human rights at every stage of the project including merger and acquisition through human rights due diligence. Ultimate oversight for human rights resides with Board of Directors which are briefed on quarterly basis by the ESG Head.
- To make our stakeholder aware of relevant guidelines pertaining to human rights, we upload these on our Company website for easy access to all employees and stakeholders. Awareness and familiarization sessions for different sets of employee population are also conducted.

#### 8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, All the suppliers and vendors are required to adhere to APSEZ's Supplier Code of Conduct which provides comprehensive guiding principles and embodies our commitment to internationally recognized standards, including UN Global Compact, the core conventions of the International Labor Organization (ILO), United Nations' Universal Declaration of Human Rights and prevalent industry standards for our vendors and suppliers.

APSEZ has zero tolerance towards violation of human rights and keep a strict vigil on the policies and practices followed by the suppliers. Also, we try to enforce the best practices on human rights in our supply chain using the influence we have on our suppliers. Our expectation of respect for human rights from all our business partners is unambiguously conveyed at multiple levels of engagement. During the on-boarding process and later, the suppliers undergo third party audit of their operations for compliance with safe working condition requirements, avoidance of child and forced labour, environmental and social impacts, and human rights due diligence. The human rights aspects are also covered in-depth in our annual survey of the vendors and the training programs organised for them. In the survey, the suppliers are required to disclose their policy to avoid child labour, forced labour, workplace harassment, gender & ethnic discrimination and their human rights due diligence process. The suppliers are assessed on whether their policy is aligned with the requirements set by APSEZ for their suppliers and business partners.

## 9. Assessments for the year:

At all the operations of ASPEZ, a government issued age proof is required before any employment is provided. This eliminates the risk of child labour. Regular trainings are given to the employees on the business ethics and human rights. Also, there are Code of Conduct for employees and supplier and human rights assessment process for vendor onboarding through ARIBA.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil
Forced/involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others - please specify	Nil

## 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

We have completed the Human Rights assessment of employees, suppliers, customers and community and are now developing a plan to implement the key takeaways from the survey. Refer our Integrated Annual Report FY22 for details of the scope, coverage and assessment.

### Leadership Indicator

#### 1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

APSEZ fostered an inclusive culture free from discrimination and powered by diverse employee capabilities. The Company is committed to free and fair employment practices free of any harassment based on race, religion, colour, age, sexual orientation, national origin, disability or any other classification as mandated by local laws. The Company's commitment to human rights was reflected in its governance, procurement and social strategy.

APSEZ remained committed to uphold human rights across its value chain and its commitment was reflected in due diligence and implementation framework governed by the following policies:

- Adani Group policy on Human Rights
- Human Rights Guidelines
- Supplier Code of Conduct
- Corporate Social Responsibility Policy
- Stakeholder Engagement Policy
- Guidelines for employment of Differently abled people
- Business Responsibility Policy
- Group Guidelines on Prevention of Sexual Harassment of Women at Workplace
- Adani Group Code of Conduct Policy

In addition, following action has been taken/introduced during reporting year

- We conducted a human rights survey covering all the permanent employees.
- This year, we also asked employees about any workplace harassment, or discrimination faced by them, the effectiveness of the system to identify and report human rights issues, and the awareness of various means to report any abuse.
- Employee Grievance Management System has been launched at group level.
- The vendor onboarding process through ARIBA portal covers the Human rights related requirements. In addition, supplier/vendor sustainability and ESG assessment has Human Right component integrated

- Human Rights assessment has been carried out for customer & community
- Training & Awareness of Employees, Vendor, supplier

Details of Human Rights policy, system, procedure, assessment/survey has been provided in our Integrated Annual Report FY22

## 2. Details of the scope and coverage of any Human rights due-diligence conducted.

APSEZ developed human rights due diligence to identify and assess impacts and risks relating to human rights of employees, suppliers, customers and communities. The Human Rights risk identification process covered our operation, value chain and new relations (mergers, acquisitions, joint ventures etc). Human Rights issues comprised child labor, forced labor, human trafficking, discrimination, equal remuneration, freedom of association and collective bargaining. The due diligence extended to employees, children, women, local communities, third party contracted workers, local communities, indigenous people and migrant workers.

All the company's ports and offices were assessed on the basis of child labour, forced / involuntary labour, sexual harassment, discrimination at workplace and wages

## 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. At our corporate offices, we have made special provisions for differently abled employees and workers in accordance with Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone, and we acknowledge the importance of having diverse and equitable work environment. We have designed workplaces for providing assistance or making changes to a position or workplace to enable employees with disabilities for carrying out their jobs.

Our Corporate offices have ramps at entry locations and lobbies to facilitate wheelchairs. We have dedicated toilets for differently abled employees. We have elevators with Braille signs, designed for blind people or visually impaired people. Our other locations also comply with all the national/local requirements to accommodate differently abled person and their needs.

All the Company's existing and new infrastructure has implemented comprehensive plan to address accessibility of workplaces for differently abled employees. Work areas, rest rooms, common areas and areas for movement in and around facilities have been designed with all accessibility aspects in mind.

## 4. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed*
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Others - please specify	-

\*We have completed the Human Rights assessment of employees, suppliers, customers and community and are now developing a plan to implement the key takeaways from the survey. Refer our Integrated Annual Report FY22 for details of the scope, coverage and assessment.

## 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

We have completed the Human Rights assessment of employees, suppliers, customers and community and are now developing a plan to implement the key takeaways from the survey and assessment. Refer our Integrated Annual Report FY22 for details of the scope, coverage and assessment.

**Principle 6: Businesses should respect and make efforts to protect and restore the environment.**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format#**

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total electricity consumption (A)	GJ	1086392	990081
Total fuel consumption (B)	GJ	1712444	1439129
Energy consumption through other sources (C)	GJ	NIL	NIL
Total energy consumption (A+B+C)	GJ	2798837	2429210
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ/Cr	155	167
Energy intensity (optional) - the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No. The PAT scheme is not applicable to the Company's businesses.

**3. Provide details of the following disclosures related to water, in the following format#**

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	347547	396180
(ii) Groundwater	221382	264120
(iii) Third party water	2174306	1188540
(iv) Seawater / desalinated water	1027249	1188540
(v) Others	1731042	1455633
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	5153979	4096833
Total volume of water consumption (in kilolitres)	4731107	4126000
Water intensity per rupee of turnover (Water consumed, KL / turnover in Cr)	0.26	0.28
Water intensity (optional) - the relevant metric may be selected by the entity	NA	NA

Third Party water includes - Third party Private & Public Utility

Others: Rain Water, Wastewater from other industries

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

We ensure compliance with all applicable statutory obligations laid by Central and State Pollution Control Board. For locations, where zero discharge is mandated by Pollution Control Board, we have implemented and maintained adequate systems to ensure compliance. In other sites, we have mechanism in place to treat the sewage/effluent as per the statutory guidelines. After treatment, we utilize treated water for internal usage to the extent possible.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
NOx	µg/m <sup>3</sup>	20.55	-
SOx	µg/m <sup>3</sup>	11.43	-
Particulate matter (PM)	µg/m <sup>3</sup>	56.99	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others - please specify	-	-	-

\*Average value represented. The air emission sources (stacks, chimneys etc.) are monitored on a defined frequency by an approved laboratory/agency as mandated by the Central and respective State Pollution Control Boards. The details of air emissions are submitted to PCB annually in Form-5 (Annual Environment Statement).

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Ambient Air Quality Monitoring (AAQM) is carried out in line to National Ambient Air Quality Standards (NAAQS) across sites in line to Environment Clearance obtained from MoEF&CC (Ministry of Environment Forest and Climate Change) & Consents obtained from SPCB (State Pollution Control Board). Ambient Air Quality and Stack emission monitoring reports are submitted regularly to SPCB and also to MoEF&CC as part of half yearly compliance reports. Six monthly monitoring reports are also kept on Company's website. The monitoring reports are reviewed by SPCB during their site visits and inspection as well. These are also audited as part of ISO-14001 certification twice internally and once by an external audit agency.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format#**

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	129438	110394
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	193063	196160

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 1 and Scope 2 emissions per rupee of turnover	Mt of CO2/Cr of turnover	17.8	21.1
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

In line with APSEZ's target to become Carbon Neutral Port and SBTi commitment and to meet India's Climate Change (NDC) commitments of emission reduction, the Company has taken various initiatives such as:

- Replacing low energy efficient equipment with high energy efficient equipment
- Installing solar roof tops and other green energy projects
- Replacing fossil fuel-based vehicles by electric vehicles
- Optimization of energy consumption in office buildings
- Using digitization to improve monitoring and reduce losses
- Awareness creation related to energy conservation and GHG reduction
- Replacing high Global Warming Potential (GWP) refrigerant with lower GWP refrigerant

Various initiatives related to GHG emission reduction can be seen under environment stewardship section of our Integrated Annual Report FY22

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)*</b>		
Plastic waste (A)	176.19	133.08
E-waste (B)	50.93	16.75
Bio-medical waste (C)	6.9	98.96
Construction and demolition waste (D)	0	315
Battery waste (E)	35.1	28.8
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G) (Spent oil in KL)	1052	776.02
Other Non-hazardous waste generated (H). Please specify, if any., Tons	11674.33	9351.28
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>12995.45</b>	<b>10719.89</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)\*

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
<b>Category of waste</b>		
(i) Recycled	7036	5128.16
(ii) Re-used	99	909.56
(iii) Other recovery operations	4043	4278.99
<b>Total</b>	<b>11178</b>	<b>10316.71</b>
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)*		
<b>Category of waste</b>		
(i) Incineration	123.0	262.75
(ii) Landfilling	1694.42	140.43
(iii) Other disposal operations	0	0
<b>Total</b>	<b>1817.42</b>	<b>403.18</b>

\*For further details refer Waste Management under Environment section of Integrated Annual Report FY22

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company is in the port and infrastructure development sector, which provides services for cargo handling & logistic, operations & maintenance of port sector. Being a service industry, we don't have potential to recycling of generated waste in our operations.

However, the Company complies with all applicable regulatory requirements pertaining to waste management. The Company has defined processes for managing waste at each of its sites/locations. As part of vision for Zero Waste, APSEZ has taken several initiatives in the handling and management of waste at all operating port locations by focusing on 5R principles of waste management i.e. Reduce, Reuse, Reprocess, Recycle and Recover. As part of the initiative Mundra, Kattupalli, Ennore, Dhamra, Goa, and Tuna sites have achieved Zero Waste to Landfill Assurance Statement. All our operating sites are certified as Single Use Plastic (SUP) free.

The hazardous wastes are handled, segregated, stored and transported in accordance with applicable regulatory requirements and best industry practices. The hazardous waste is disposed of in an environmentally sound manner through authorized vendors for recycling as required by regulation

Other Major initiatives include, Reuse of treated sewage, Recycling of paper, plastic, metal, E waste, Used oil etc., Reprocess of food waste, STP & ETP sludge, Oily cotton waste etc.

Our strategic intent is to eliminate or reduce the generation of waste to divert waste from disposal through reuse and recycling wherever possible.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)  If no, the reasons thereof and corrective action taken, if any.
1	All Ports & Terminals falls under Coastal Regulation Zone (CRZ) Area	Handling & Storage of Cargo	Yes

\*Apart from CRZ there's no Eco Sensitive Areas (National Park, Sanctuary, biosphere reserve, wetlands, biodiversity hotspots) within our development footprint. However comprehensive Biodiversity Assessment is being carried out before setting up of facility as part of Environment Impact Assessment (EIA) studies and biodiversity impacts for both terrestrial & marine is studied in detail, impacts are identified and mitigation measures/management program is proposed based on identified impacts. For both construction and operation phase. The progress on management measures/EMP(Environment Management Plan) is being submitted to all the concerned regulatory authorities as part of half yearly compliance report and is also kept on Company's website at <https://www.adaniports.com/Downloads>

#### 11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Environmental Impact Assessment is being carried out for all the projects/development facility in line to EIA Notification, 2006 (as amended) and copy of Environment clearance so obtained is being kept at Company website at <https://www.adaniports.com/Downloads> (refer Environment & CRZ Clearance under relevant port)

EIA studies and EC clearance in line to applicable law is ongoing for following projects during the Financial Year 2021-22, These projects are at different stages of approval.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Revised Master Plan development of MIDPL (Kattupalli)	EIA Notification 2006 (As amended)	14.09.2006*	Yes	Ongoing	project ongoing
Revised Master Plan of Water Front Development (Mundra)	EIA Notification 2006 (As amended)	14.09.2006*	Yes	Ongoing	project ongoing
Outer Harbour development of Hazira Port	EIA Notification 2006 (As amended)	14.09.2006*	Yes	Ongoing	project ongoing
Development of 1576.81 Ha industrial park /SEZ at Mundra	EIA Notification 2006 (As amended)	14.09.2006*	Yes	Ongoing	project ongoing
Proposed Utility Corridor (Road, Rail, pipeline, HT line and other utility) and LPG pipeline at Mundra	EIA Notification 2006 (As amended)	14.09.2006*	Yes	Ongoing	project ongoing

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Proposed 18m 66KV Transmission Corridor at Mundra	EIA Notification 2006 (As amended)	14.09.2006*	Yes	Ongoing	project ongoing
Additional capital & maintenance dredging and disposal of dredge material at AKBTP L Tuna	EIA Notification 2006 (As amended)	14.09.2006*	Yes	Ongoing	project ongoing
Creation of berthing and allied facilities off Tekra, near Tuna (AKBTPL)	EIA Notification 2006 (As amended)	14.09.2006*	Yes	Ongoing	project ongoing

\* EIA Notification 2006 date

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.**

Yes, the Company is compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

Sr. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1.	Nil	Nil	Not Applicable	Not Applicable

### Leadership Indicators

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	215454 (GJ)	128892 (GJ)
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	NIL	NIL
Total energy consumed from renewable sources (A+B+C)	215454 (GJ)	128892 (GJ)

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
<b>From non-renewable sources</b>		
Total electricity consumption (D)	870939 (GJ)	861190 (GJ)
Total fuel consumption (E)	1712444 (GJ)	1439129 (GJ)
Energy consumption through other sources (F)	NIL	NIL
Total energy consumed from non-renewable sources (D+E+F)	2583383 (GJ)	2300319 (GJ)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

## 2. Provide the following details related to water discharged:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Nil	Nil
No treatment	NA	NA
With treatment - please specify level of Treatment	NA	NA
(ii) To Groundwater	Nil	Nil
No treatment	NA	NA
With treatment - please specify level of Treatment	NA	NA
(iii) To Seawater	Nil	Nil
No treatment	NA	NA
With treatment - please specify level of Treatment	NA	NA
(iv) Sent to third-parties	Nil	Nil
No treatment	NA	NA
With treatment - please specify level of Treatment	NA	NA
(v) Others	NA	NA
No treatment	NIL	NIL
With treatment - please specify level of Treatment	742047* (Physico-chemical, Biological, Filtration)	649720* (Physico-chemical, Biological, Filtration)
<b>Total water discharged (in kilolitres)</b>	<b>742047</b>	<b>649720</b>

\*On land discharge after treatment and meeting the norms and utilization for horticulture, gardening purpose.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**3. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4,71,649	3,48,341
Total Scope 3 emissions per rupee of turnover		26	24
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by Ernst & Young and its report shall form part of this Integrated Annual Report.

**4. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Apart from CRZ there's no Eco Sensitive Areas (NP, Sanctuary, biosphere reserve, wetlands, biodiversity hotspots) within our development footprint. However comprehensive Biodiversity Assessment is being carried out before setting up of facility as part of EIA studies and biodiversity impacts for both terrestrial & marine is studied in detail, impacts are identified and mitigation measures/management program is proposed based on identified impacts. For both construction & operation phase. The progress on management measures/EMP is being submitted to all the concerned regulatory authorities as part of Half yearly compliance report and is also kept on Company's website.

**5. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
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Details of the initiative relation to energy conservation, emission reduction, resource efficiency, effluent and waste management are covered in Environment section of Integrated Annual Report FY22

**6. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

All our ports are having on-site off site disaster management plan in place. The same is submitted to MoEF&CC as part of half yearly EC & CRZ compliance report. Mundra Port Onsite emergency plan can be seen at

[https://www.adaniports.com/-/media/Project/Ports/PortsAndTerminals/Mundra-Documents/Environment-Compliance-Report/Current-Environment-Compliance-Report/5-EC-Compliance-Report\\_WFDP-2009\\_Apr-21-to-Sep-21.pdf](https://www.adaniports.com/-/media/Project/Ports/PortsAndTerminals/Mundra-Documents/Environment-Compliance-Report/Current-Environment-Compliance-Report/5-EC-Compliance-Report_WFDP-2009_Apr-21-to-Sep-21.pdf) (Annexure 13)

**7. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Vessels entering the port limit are not allowed to discharge any waste, bilge, ballast into the water. Company has provided waste reception facilities for the incoming vessels to avoid marine water pollution. PUC certification has been mandated for incoming vehicles to minimize emissions. Company is also working towards electrification of

railway lines to minimize emissions. Under the International Maritime Organisation's MARPOL 73/78 convention, vessels that call at our port deliver their waste safely to our facility at a nominal charge, in alignment with the 'polluter pays' principle.

Other details can be seen in Environment stewardship section of Integrated Annual Report FY22

#### 8. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Details of assessment of value chain partners for assessed for ESG has been provided under Supplier section in our Integrated Annual Report FY22

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

#### 1. Number of affiliations with trade and industry chambers/ associations. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Export Organizations (FIEO)	National
3	World Economic Forum (WEF)	National
4	Federation of Indian Chamber of Commerce and Industry (FICCI)	National
5	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
6	National Safety Council (NSC-Mumbai)	National
7	Ahmedabad Management Association (AMA)	State
8	Federation of Kutch Industries (FKI)	State
9	Hazira Area Industries Association (HAIA)	State
10	Gujarat Chamber of Commerce and Industry (GCCCI)	State
11	Southern Gujarat Chamber of Commerce & Industries (SGCCI)	State
12	Gujarat Safety Council - Vadodara (GSC)	State
13	Industrial Waste Management Association, Chennai (IWMA)	State

#### 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

**Principle 8: Businesses should promote inclusive growth and equitable development.**

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

At APSEZ, we considered the success of our CSR activities as equally important as any other primary business objectives and committed to positively impact the communities directly and indirectly affected by our operations. As some of our operating locations were in areas where the poorest segments of Indian population lived, we were deeply conscious of our responsibility to dedicatedly contribute towards inclusive growth of those communities. We believed that everyone, regardless of who and where they were, deserved equitable access to opportunities and a fair chance to a better quality of life.

APSEZ had a group-wide strategy that directed our CSR activities. By giving strategic priority to CSR activities, we directly contributed towards the United Nations' Sustainable Development Goals (UN SDGs). In addition, we aligned all our activities to the CSR Policy with the aim of facilitating and guaranteeing their correct development and implementation, while ensuring long-term outcomes and impacts. With over 25 years of experience in catering to the changing needs of society, Adani Foundation, the CSR arm of Adani Group, continued to strongly move forward focusing on scaling integrated development efforts across India. Some of the key areas of focus for our CSR activities/programmes included education, community health and nutrition, sustainable livelihoods, community infrastructure development and addressing environmental concerns. Apart from universal aspects like Human Rights and Rights of Indigenous People, we brought issues specific to Indian scenario such as mitigating poverty and generating livelihoods into focus.

Company carried impact assessment of its CSR/social activities in the areas of Health, Livelihood & water conservation during the year. Details of Company's work under Corporate Social Responsibility and impact assessment is given in Corporate Social Responsibility chapter of Integrated Report for FY 2021-22.

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
NA	NA	NA	NA	NA	NA

**3. Describe the mechanisms to receive and redress grievances of the community.**

The Company's grievance reporting initiatives comprised a 24x7 grievance reporting mechanism through its website, dedicated telephone numbers and drop boxes at prominent locations. Several people across the company's sites (supervisors, seniors, and department heads) can be reached directly for reporting grievances. The Company provides communities with a grievance reporting system (recorded, reviewed, escalated and actioned upon within a timeframe). A Grievance Management System was implemented for the aggrieved to view status, resolution and feedback. The Company is further in the process of developing and roll out of an integrated Grievance Management System wherein all types of grievance will feed into one integrated system.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Directly sourced from MSMEs/ small producers	NA	NA
Sourced directly from within the district and neighbouring districts	26%	46%

**Leadership Indicator**

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Yes, Company has framed Sustainable Procurement Policy and has Supplier Code of Conduct which covers the aspect related to procurement/purchase from marginalized/vulnerable groups. For details refer Supply Chain section of our Integrated Annual Report FY22

**(b) From which marginalized /vulnerable groups do you procure?**

Local/regional suppliers and Local communities

**(c) What percentage of total procurement (by value) does it constitute?**

APSEZ is driving economic development by enhancing procurement processes for social and environmental gains. The procurement focus was not just on local development but a range of accrued benefits of lower costs, higher brand recognition and livelihood support. Local vendors generally employ hundreds unlikely to leave that city, delivering benefits for the local economy in which they are based. Utilising procurement more progressively and innovatively has facilitated the participation of small to medium sized enterprises (SMEs) in public procurement in support of common societal goals.

The Company's business model supports the ethos of - 'What is good for the country is good for us'. APSEZ's operations are dependent on vendors to execute its goal of being an end-to-end integrated logistics player. Local procurement therefore, is a key facet of the overall sustainable supply chain strategy. The Company aims to fulfil these aspirations without compromising standards. Some material supplies are procured centrally and through vendors from other parts of the country.

In FY2021-22, 63% of the Company's procurement was derived from local State vendors and 26% from the same district.

For further details refer Supply Chain section of our Integrated Annual Report FY22

**5. Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
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For details of CSR project & beneficiary kindly refer Corporate Social Responsibility section of our Integrated Annual Report FY22

**Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Customers can reach-out with their complaints related to our services or payment transactions through mail or online portal and a time bound solution is provided to them. Besides, the company carries out customer satisfaction survey through deployment of internal resources on an annual basis and covers feedback of customers across all port locations. Based on the feedback necessary process improvements are undertaken.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable considering the nature of Company's product and services offerings
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA
Advertising	0	0	NA
Cyber-security	0	0	NA
Delivery of essential services	0	0	NA

	Received during the year	Pending resolution at end of year	Remarks
Restrictive Trade Practices	0	0	NA
Unfair Trade Practices	0	0	NA
Other	0	0	NA

#### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

#### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, we have Cyber Security and Data Privacy Policy in place.

Weblink: <https://www.adaniports.com/-/media/Project/Ports/Investor/corporate-governance/Policies/Adani-Cyber-Security-Policy.pdf>

#### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

- APSEZ mitigation plan included a cyber-security program, Standard Operating Procedures across functions, cyber security awareness programs to employees and the development of business continuity plans
- Awareness programs on Information Security are available to all employees and wherever applicable to third parties e.g., Sub-contractors, consultants, vendors etc. and regular training is imparted to them

### Leadership Indicators

#### 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Growth with Sustainability: <https://www.adaniports.com/Sustainability>

Downloads: <https://www.adaniports.com/Downloads>

Corporate Governance: <https://www.adaniports.com/Investors/Corporate-Governance>

#### 2. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact: Nil
- b. Percentage of data breaches involving personally identifiable information of customers: Nil

## Annexure-1

### Holding, Subsidiary and Associate Companies (including joint ventures)

#### Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Adani Petronet (Dahej) Port Pvt. Ltd.	Subsidiary	74	Business Responsibility initiatives of the parent Company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.
2	The Adani Harbour Services Ltd.	Subsidiary	100	
3	Adani Hazira Port Ltd.	Subsidiary	100	
4	Adani Logistics Ltd.	Subsidiary	100	
5	Adani Murmugao Port Terminal Pvt. Ltd.	Subsidiary	100	
6	Adani Ennore Container Terminal Pvt. Ltd.	Subsidiary	100	
7	Adani Vizag Coal Terminal Pvt. Ltd.	Subsidiary	100	
8	Adani Kandla Bulk Terminal Pvt. Ltd.	Subsidiary	100	
9	Adani Vizhinjam Port Pvt. Ltd.	Subsidiary	100	
10	Shanti Sagar International Dredging Ltd.	Subsidiary	100	
11	The Dhamra Port Company Ltd.	Subsidiary	100	
12	Karnavati Aviation Pvt. Ltd.	Subsidiary	100	
13	Marine Infrastructure Developer Pvt Ltd.	Subsidiary	97	
14	Adani Kattupalli Port Ltd.	Subsidiary	100	
15	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	Subsidiary	55.28	
16	Mundra International Airport Pvt. Ltd.	Subsidiary	100	
17	Adani Warehousing Services Pvt. Ltd.	Subsidiary	100	
18	Adani Hospitals Mundra Pvt. Ltd.	Subsidiary	100	
19	Madurai Infrastructure Pvt. Ltd.	Subsidiary	100	
20	HDC Bulk Terminal Ltd.	Subsidiary	100	
21	Adani Ports Technologies Pvt. Ltd.	Subsidiary	100	
22	EZR Technologies Pvt. Ltd.	Joint Venture	51	
23	Mundra Crude Oil Terminal Pvt. Ltd.	Subsidiary	100	
24	Adani Tracks Management Services Pvt. Ltd.	Subsidiary	100	
25	Adani Pipelines Pvt. Ltd.	Subsidiary	100	
26	Adani Gangavaram Port Pvt. Ltd.	Subsidiary	100	
27	Dighi Port Ltd.	Subsidiary	100	
28	Aqua Desilting Pvt. Ltd.	Subsidiary	100	
29	Adinath Polyfills Pvt. Ltd.	Subsidiary	100	
30	Adani Krishnapatnam Port Ltd.	Subsidiary	100	
31	Adani Krishnapatnam Container Terminal Pvt. Ltd.	Step down Subsidiary	100	
32	Adani KP Agriwarehousing Pvt. Ltd.	Joint Venture	74	

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
33	Seabird Distriparks (Krishnapatnam) Pvt. Ltd.	Step down Subsidiary	100	
34	Hazira Infrastructure Ltd.	Step down Subsidiary	100	
35	Adani Agri Logistics Ltd.	Step down Subsidiary	100	
36	Adani Agri Logistics (Dahod) Ltd.	Step down Subsidiary	100	
37	Adani Agri Logistics (Samastipur) Ltd.	Step down Subsidiary	100	
38	Adani Agri Logistics (Darbhanga) Ltd.	Step down Subsidiary	100	
39	Blue Star Realtors Ltd.	Step down Subsidiary	100	
40	Dermot Infracon Pvt. Ltd.	Step down Subsidiary	100	
41	Adani NYK Auto Logistics Solutions Pvt. Ltd.	Joint Venture	51	
42	Dhamra Infrastructure Pvt. Ltd.	Step down Subsidiary	100	
43	Shankheshwar Buildwell Pvt. Ltd.	Step down Subsidiary	100	
44	Sulochana Pedestal Pvt. Ltd.	Step down Subsidiary	100	
45	NRC Ltd.	Step down Subsidiary	100	
46	Adani Logistics Services Pvt. Ltd.	Step down Subsidiary	98.39	
47	Adani Cargo Logistics Ltd.	Step down Subsidiary	98.39	
48	Adani Noble Pvt. Ltd.	Step down Subsidiary	98.39	
49	Adani Forwarding Agent Pvt. Ltd.	Step down Subsidiary	98.39	
50	Adani Logistics Infrastructure Pvt. Ltd.	Step down Subsidiary	98.39	
51	Adani Agri Logistics (MP) Ltd.	Step down Subsidiary	100	
52	Adani Agri Logistics (Harda) Ltd.	Step down Subsidiary	100	
53	Adani Agri Logistics (Hoshangabad) Ltd.	Step down Subsidiary	100	
54	Adani Agri Logistics (Satna) Ltd.	Step down Subsidiary	100	
55	Adani Agri Logistics (Ujjain) Ltd.	Step down Subsidiary	100	
56	Adani Agri Logistics (Dewas) Ltd.	Step down Subsidiary	100	
57	Adani Agri Logistics (Panipat) Ltd.	Step down Subsidiary	100	
58	Adani Agri Logistics (Katihar) Ltd.	Step down Subsidiary	100	
59	Adani Agri Logistics (Kotkapura) Ltd.	Step down Subsidiary	100	
60	Adani Agri Logistics (Kannauj) Ltd.	Step down Subsidiary	100	
61	Adani Agri Logistics (Barnala) Ltd.	Step down Subsidiary	100	
62	Adani Agri Logistics (Bathinda) Ltd.	Step down Subsidiary	100	
63	Adani Agri Logistics (Moga) Ltd.	Step down Subsidiary	100	
64	Adani Agri Logistics (Mansa) Ltd.	Step down Subsidiary	100	
65	Adani Agri Logistics (Nakodar) Ltd.	Step down Subsidiary	100	
66	Adani Agri Logistics (Raman) Ltd.	Step down Subsidiary	100	
67	Adani Warehousing Ltd.	Step down Subsidiary	100	
68	Adani Agri Logistics (Dhamora) Ltd.	Step down Subsidiary	100	
69	AYN Logistics Infra Pvt. Ltd.	Step down Subsidiary	100	
70	Abbot Point Operations Pty Ltd., Australia	Subsidiary	100	
71	Abbot Point Bulkcoal Pty Ltd., Australia	Step down Subsidiary	100	

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
72	Coastal International Terminal Pte Ltd., Singapore	Subsidiary	100	
73	Adani Yangon International Terminal Company Ltd, Myanmar	Step down Subsidiary	100	
74	Anchor Port Holding Pte. Ltd.	Subsidiary	100	
75	Noble Port Pte Ltd., Singapore	Step down Subsidiary	100	
76	Pearl Port Pte Ltd., Singapore	Step down Subsidiary	100	
77	Adani Bangladesh Ports Private Limited, Bangladesh	Subsidiary	100	
78	Adani Logistics International Pte Ltd., Singapore	Step down Subsidiary	100	
79	Adani International Ports Holdings Pte Ltd., Singapore	Subsidiary	100	
80	Colombo West International Terminal (Private) Ltd.	Joint Venture	51	
81	Adani International Container Terminal Pvt. Ltd.	Joint venture	50	
82	Adani CMA Mundra Terminal Pvt. Ltd.	Joint venture	50	
83	Adani Total Pvt. Ltd.	Joint venture	50	
84	Dhamra LNG Terminal Pvt. Ltd.	Joint venture	50	
85	Total Adani Fuels Marketing Pvt. Ltd.	Joint venture	50	
86	Gangavaram Port Limited	Associate	41.90	
87	Dholera Infrastructure Pvt. Ltd.	Associate	49	
88	Dholera Port and Special Economic Zone Ltd.	Associate	49	
89	Mundra Solar Technopark Pvt. Ltd.	Associate	49	
90	Dighi Roha Rail Ltd.	Joint venture	50	
91	Gangavaram Port Services Pvt. Ltd.	Associate	41.90	

## Independent Auditor's Report

To  
The Members of  
**Adani Ports and Special Economic Zone Limited**

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

#### Opinion

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

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

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone

financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Emphasis of Matter

We draw attention to Note 46 of the standalone financial statements, which describes the matter relating to delay in achievement of scheduled commercial operation date ("COD" i.e. December 03, 2019) of the development of international deep-water multipurpose seaport being constructed by Adani Vizhinjam Port Private Limited ("AVPPL") at Vizhinjam, Kerala (the "Project"), as stipulated under the relevant concession agreement ("Agreement") and matter subject to arbitration proceedings thereof, initiated by the AVPPL, to resolve disputes with the Government authorities relating to various matters pertaining to development of project which AVPPL represents led to delay in achieving scheduled COD, as at reporting date.

Our conclusion on the Statement is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

### Impairment of Non-current Investment and Loans to Adani Kandla Bulk Terminal Private Limited ("AKBTPL") — Refer to Note 4(b)(ii) to the Standalone Financial Statements

#### Key Audit Matter Description

The Company has made equity investments of ₹370.05 crores and has advanced loans of ₹918.06 crores (including interest accrued ₹101.23 crores) to AKBTPL (a wholly owned subsidiary of the Company).

The Company's evaluation of impairment of its equity investments and loans given involves the comparison of its recoverable value of each cash-generating unit to its corresponding carrying value. The Company

used the discounted cash flow model to estimate recoverable value, which requires management to make significant estimates and assumptions related to forecasts of future revenues and discount rates. In the current financial year, the Company has provided an impairment of ₹491.23 crore (included as exceptional item in the Statement of Profit and Loss) due to changes in the business assumptions related to their future projections mainly due to change in macro-economic conditions in which the AKBTPL operates.

We focused on this area as Key Audit Matter due to the size/materiality of the balances of equity investments and loans given and because the Company's assessment of the 'recoverable value' of the CGU (at the entity level) involves judgements about the future results of the business and the discount rates applied to future cash flow forecasts.

#### How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to forecasts of future revenue and operating margin and selection of the discount rate for these assets included the following, among others:

- We tested the Design, Implementation and Operating effectiveness of controls over impairment assessment process, including those over the forecasts of future revenue and operating margin, and the selection of the discount rate.
- We assessed the appropriateness of changes made in business assumptions as attributable to future projection
- We evaluated the reasonableness of management's revenue forecasts by comparing it with:
  - Historical revenues growth
  - Internal communications to management, Audit Committee and the Board of Directors.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the (1) valuation methodology and (2) discount rate by:
  - Testing the source information underlying the determination of the discount rate and the mathematical accuracy of the calculation.
  - Developing a range of independent estimates and comparing those to the discount rate selected by management.
  - Performed a sensitivity analysis to determine the effect of variation in the cash flow estimates.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our

knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

#### Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to

our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 44 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge

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

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- As stated in note 51(i) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**Kartikeya Raval**  
Partner  
(Membership No. 106189)  
(UDIN: 22106189AJNMNT1083)

Place: Ahmedabad  
Date: May 24, 2022

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

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

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

We have audited the internal financial controls over financial reporting of **Adani Ports and Special Economic Zone Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

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

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

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

**Kartikeya Raval**  
Partner  
(Membership No. 106189)  
(UDIN: 22106189AJNMNT1083)

Place: Ahmedabad  
Date: May 24, 2022

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work in progress and relevant details of right-of-use assets.

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

(b) Some of the property, plant and equipment, capital work-in-progress, and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification

of all the property, plant and equipment, capital work-in-progress, and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

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

Description of property	As at the Balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Gross carrying value (₹In crores)	Carrying value in the financial statements (₹In crores)				
Reclaimed land located at the South and West Port measuring 1093.53 Hectares	180.18	117.33	NA	NA	NA	The said land pertains to reclaimed land at the Mundra Port, which are pending to be registered in the name of the Company. (Refer note 3(a)(ix) of standalone financial statements)

(d) The Company has not revalued any of its property, plant and equipment (including Right-of-Use assets) and intangible assets during the year.

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

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

with books of account.

- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets of the Company. In accordance with the information and explanation given to us, no quarterly returns or statements were filed

by the Company till the date of this report.

- (iii) The Company has not given any advances in the nature of loans during the year. The Company has made investments in, stood guarantee, granted unsecured loans to companies and provided security during the year:

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

(₹In crores)

	Loans	Guarantees	Security ^
A. Aggregate amount granted / provided during the year:#			
- Subsidiaries	11,548.29	960.93	-
- Joint Ventures	-	1,048.44	-
- Others	31,603.21	-	-
B. Balance outstanding as at balance sheet date:*#			
- Subsidiaries	19,403.00	3,249.90	1,038.37**
- Joint Ventures	537.85	4,295.36	32.57
- Others	210.01	-	-

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

# Includes amounts invested in Perpetual Debts of the subsidiaries

\*\*Against the security provided, the outstanding loans as at March 31, 2022 is ₹225.00 crore

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

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations except for the following:

Name of the entity	Nature	Amount (₹in crores)	Due date	Extent of delays(In days)	Remarks, if any
Adani Krishnapatnam Port Limited	Interest Accrued	12.67	January 01, 2022	90	
Madhuram Traders Private Limited	Interest accrued	0.79	October 23, 2020	237	
Komal Infotech Private Limited	Interest accrued	1.78	March 19, 2019	1108	As at Balance sheet date, it is under reconciliation and the amount has been provided for.
Adani Murmugao Port Terminal Private Limited	Interest Accrued	29.87	March 31, 2022	1	
Adani Kandla Bulk Terminal Private Limited	Interest Accrued	43.79	March 31, 2021	366	As at Balance sheet date, the amount has been provided for.

Name of the entity	Nature	Amount (₹in crores)	Due date	Extent of delays(In days)	Remarks, if any
Adani Kandla Bulk Terminal Private Limited	Interest Accrued	57.44	March 31, 2022	1	As at Balance sheet date, the amount has been provided for.
Marathon Realty Private Limited	Interest Accrued	13.24	March 31, 2021	82	
Vishwa Samudra Holding Private Limited	Interest Accrued	1.06	April 01, 2021	2	

(d) In respect of following loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest:

No. of cases	Principal amount overdue	Interest overdue (₹in crores)	Total overdue (₹in crores)	Remarks, if any
3	-	46.36	46.36	Out of the total amount of ₹46.36 crores of interest overdue, interest amounting to ₹45.57 crore has been provided for.

(e) No loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

For the purpose of this reporting, renewal, extension or fresh loan granted after it becomes overdue has only be considered.

(f) During the year, the Company has granted Loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below:

Particulars	(₹in Crores)	
	All Parties* (including related parties)	Subsidiaries (Related Parties)*
<b>Aggregate of loans</b>		
Repayable on demand (A)	-	-
Agreement does not specify any terms or period of repayment (B) #	3,785.65	3,785.65
Total (A+B)	3,785.65	3,785.65
Percentage of loans	18.79%	18.79%

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

# Perpetual debt, classified under the note of Investments in the financial statements, has been considered as loans without repayment terms for the purpose of above reporting.

(iv) In our opinion and according to the information and explanations given to us, and considering the legal opinion taken by the Company on applicability of section 185 of the Companies Act, 2013, in respect of certain loan transactions which are in the ordinary course of business, the Company has complied with the provisions of the Section 185 of the Companies Act, 2013 in respect of grant of loans and providing guarantees and securities, as applicable. Further, based on the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in

respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013.

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

(a) The Company has generally been regular in depositing undisputed statutory dues of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services

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

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

Name of Statute	Nature of Dues	Amount (Rs in crore)	Period to which the Amount Relates	Forum where Dispute is Pending	Remarks
Customs Act, 1962	Custom Duty	2.00	June, 2008	Commissioner of Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	
		0.14	July, 2003	Assistant Commissioner of Customs, Mundra	
Finance Act, 1994	Service Tax	11.21	December, 2004 to March, 2006	Supreme Court	
		173.63	April, 2004 to September, 2011	High Court of Gujarat	
		0.61	September, 2009 to March, 2010	Commissioner of Service Tax, Ahmedabad	
		500.34	April, 2011 to March, 2017	Commissioner/ Additional Commissioner of Service Tax, Ahmedabad	
		6.72	April, 2004 to August, 2009	High Court of Gujarat	
		0.17	April, 2009 to March, 2011	Commissioner of Service Tax, Ahmedabad	
Income Tax Act, 1961	Income Tax	125.81	AY 2011-12 to AY 2016-17	Income Tax Appellate Tribunal	
		11.61*	AY 2017-18 to AY 2019-20	Commissioner of Income Tax (Appeal)	

\*Net off ₹12.39 crores paid under protest

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

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year

for the purposes for which the loans were obtained, other than temporary deployment pending application.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, we report that the Company has taken funds from the following entities and persons on account of or to meet the obligations of its subsidiaries, associates or joint ventures as per details below:

Nature of fund taken	Name of lender / Shareholder	On account of or to meet the obligations of subsidiary/ joint venture/ associate				Remarks if any
		Amount involved (₹in Crores)	Name of the subsidiary/ joint venture/ associate	Relation	Nature of transaction for which funds utilized	
Issue of Bond	The Bank of New York Mellon	61.00	Shanti Sagar International Dredging Limited	Subsidiary	For capital expenditure	
		24.37	Adani Logistics Services Private Limited	Subsidiary		
		160.00	Mundra Crude Oil Terminal Private Limited	Subsidiary		
		115.00	The Dhamra Port Company Limited	Subsidiary		
		8.90	Adani Krishnapatnam Port Limited	Subsidiary		
Issue of Equity Shares	Windy Lakeside Investment Limited	39.22	Adani Hazira Port limited	Subsidiary	For general business purpose	
		1.5	Adani Logistics Services Private Limited	Subsidiary		
		4.62	Adani Petronet (Dahej) Port Private Limited	Subsidiary		
		72.58	The Dhamra Port Company Limited	Subsidiary		
		5.23	Adani Kandla Bulk Terminal Private Limited	Subsidiary		
		3.84	Marine Infrastructure Developer Private Limited	Subsidiary		
		1.03	Adani Murmugao Port Terminal Private Limited	Subsidiary		
		1.82	Shanti Sagar International Dredging Limited	Subsidiary		
		24.5	Adani Logistics Limited	Subsidiary		
		11.24	The Adani Harbour Services Limited	Subsidiary		

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) The Company has made preferential allotment of shares during the year. For such allotment

of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and having regard to legal opinions obtained by the Company with respect to identification of a related party and applicability of Section 177 and Section 188 of the Companies Act, 2013 to specific transactions (guarantees obtained and loans given), the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements, etc as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Registration No 117366W/W-100018)

**Kartikeya Raval**

Partner  
(Membership No. 106189)  
(UDIN: 22106189AJNMNT1083)

Place: Ahmedabad

Date: May 24, 2022

## Balance Sheet as at March 31, 2022

₹ in Crore

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3 (a)	9,537.65	9,845.43
Right-of-Use assets	3 (b)	372.01	364.57
Capital Work-in-Progress	3 (e)	614.08	590.23
Goodwill	3 (d)	44.86	44.86
Other Intangible Assets	3 (c)	84.15	27.41
<b>Financial Assets</b>			
Investments	4	36,371.70	20,768.88
Loans	6	11,994.41	14,666.23
Other Financial Assets			
- Bank Deposits having maturity over twelve months	11	1,950.24	81.11
- Other Financial Assets other than above	7	3,701.15	2,821.42
Deferred Tax Assets (net)	27	355.64	483.23
Other Non-Current Assets	8	850.93	917.00
		<b>65,876.82</b>	<b>50,610.37</b>
<b>Current Assets</b>			
Inventories	9	79.33	74.22
<b>Financial Assets</b>			
Investments	10	-	926.02
Trade Receivables	5	873.89	1,092.61
Customers' Bill Discounted	5	208.24	539.81
Cash and Cash Equivalents	11	4,828.04	3,310.74
Bank Balances other than above	11	1,383.46	153.40
Loans	6	348.26	704.71
Other Financial Assets	7	808.29	785.33
Other Current Assets	8	264.25	361.12
		<b>8,793.76</b>	<b>7,947.96</b>
<b>Total Assets</b>		<b>74,670.58</b>	<b>58,558.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	422.47	406.35
Other Equity	13	26,159.79	21,394.93
<b>Total Equity</b>		<b>26,582.26</b>	<b>21,801.28</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	40,626.65	30,950.12
Lease Liabilities	15	128.64	140.42
Other Financial Liabilities	16	13.51	20.24
Provisions	20	5.47	2.40
Other Non-Current Liabilities	17	500.65	563.08
		<b>41,274.92</b>	<b>31,676.26</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	3,939.87	2,317.23
Customers' Bill Discounted	18	208.24	539.81
Lease Liabilities	15	4.95	3.95
Trade and Other Payables	19		
- total outstanding dues of micro enterprises and small enterprises		6.78	1.94
- total outstanding dues of creditors other than micro enterprises and small enterprises		304.23	214.75
Other Financial Liabilities	16	1,273.67	922.40
Other Current Liabilities	17	1,056.08	1,064.17
Provisions	20	19.58	16.54
		<b>6,813.40</b>	<b>5,080.79</b>
<b>Total Liabilities</b>		<b>48,088.32</b>	<b>36,757.05</b>
<b>Total Equity And Liabilities</b>		<b>74,670.58</b>	<b>58,558.33</b>

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date.

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

**Kartikeya Raval**  
Partner

Place : Ahmedabad  
Date : May 24, 2022

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

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

Date : May 24, 2022

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Kamlesh Bhagia**  
Company Secretary

## Statement of Profit and Loss for the year ended March 31, 2022

₹ in Crore

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from Operations	21	4,206.22	4,377.15
Other Income	22	2,519.31	2,266.31
<b>Total Income</b>		<b>6,725.53</b>	<b>6,643.46</b>
<b>EXPENSES</b>			
Operating Expenses	23	831.27	919.47
Employee Benefits Expense	24	238.34	235.01
Finance Costs	25		
Interest and Bank Charges		2,509.36	2,201.15
Derivative (Gain)/Loss (net)		(15.70)	125.70
Depreciation and Amortisation Expense	3	599.61	619.18
Foreign Exchange Loss/(Gain) (net)		895.42	(718.48)
Other Expenses	26	433.67	351.79
<b>Total Expenses</b>		<b>5,491.97</b>	<b>3,733.82</b>
<b>Profit Before Exceptional items and Tax</b>		<b>1,233.56</b>	<b>2,909.64</b>
Exceptional Items	8 (c) & 4(b)(ii)	(611.83)	-
<b>Profit Before Tax</b>		<b>621.73</b>	<b>2,909.64</b>
<b>Tax Expense:</b>	27		
Current tax		287.68	948.74
Deferred tax		36.49	32.97
<b>Total Tax Expense</b>		<b>324.17</b>	<b>981.71</b>
<b>Profit for the year</b>	(A)	<b>297.56</b>	<b>1,927.93</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement loss on defined benefit plans		(4.32)	(3.65)
Income tax impact		1.51	1.27
		<b>(2.81)</b>	<b>(2.38)</b>
Net Gains on FVTOCI Equity Investments	4(d)	12.12	12.50
Income tax impact		(1.53)	(1.94)
		<b>10.59</b>	<b>10.56</b>
<b>Total Other Comprehensive Income (net of tax)</b>	(B)	<b>7.78</b>	<b>8.18</b>
<b>Total Comprehensive Income for the year (net of tax)</b>	(A)+(B)	<b>305.34</b>	<b>1,936.11</b>
Earnings per Share - (Face value of ₹2 each) Basic and Diluted (in ₹)	28	1.41	9.49

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date.

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

**Kartikeya Raval**  
Partner

Place : Ahmedabad  
Date : May 24, 2022

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

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

Date : May 24, 2022

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Kamlesh Bhagia**  
Company Secretary

## Statement of Changes in Equity for the year ended March 31, 2022

Particulars	₹ in Crore									
	Equity Share Capital	Equity Component of Non-Cumulative Redeemable Preference shares				Other Equity Reserve and Surplus				Total
		Equity Component of Non-Cumulative Redeemable Preference shares	Securities Premium	Capital Reserve	Debt Redemption Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Other Comprehensive Income	
Balance as at April 1, 2020	406.35	166.53	583.54	-	477.20	2,719.80	7.84	15,328.41	175.50	19,865.17
Profit for the year	-	-	-	-	-	-	-	1,927.93	-	1,927.93
<b>Other Comprehensive income</b>										
Re-measurement Loss on defined benefit plans (net of tax)	-	-	-	-	-	-	-	(2.38)	-	(2.38)
Net Gains on FVTOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	-	10.56	10.56
<b>Total Comprehensive income for the year</b>								<b>1,925.55</b>	<b>10.56</b>	<b>1,936.11</b>
Transfer to General Reserve	-	-	-	-	(46.17)	46.17	-	-	-	-
Transfer to Debt Redemption Reserve	-	-	-	-	125.66	-	-	(125.66)	-	-
Balance as at March 31, 2021	406.35	166.53	583.54	-	556.69	2,765.97	7.84	17,128.30	186.06	21,801.28
Profit for the year	-	-	-	-	-	-	-	297.56	-	297.56
<b>Other Comprehensive income</b>										
Re-measurement loss on defined benefit plans (net of tax)	-	-	-	-	-	-	-	(2.81)	-	(2.81)
Net Gains on FVTOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	-	10.59	10.59
<b>Total Comprehensive income for the year</b>								<b>294.75</b>	<b>10.59</b>	<b>305.34</b>
Issue of equity Shares (refer note 12 (a) (ii))	2.00	-	798.00	-	-	-	-	-	-	800.00
Issue of equity Shares pursuant to Composite Scheme of Arrangement (refer note 12 (a) (iii) and 42(e))	14.12	-	4,754.10	-	-	-	-	-	-	4,768.22
Loss pursuant to Composite Scheme of Arrangement	-	-	-	-	-	-	(71.70)	-	-	(71.70)
Dividend	-	-	-	-	(46.16)	46.16	-	(1,020.88)	-	(1,020.88)
Transfer to General Reserve	-	-	-	-	122.21	-	-	-	-	-
Transfer to Debt Redemption Reserve	-	-	-	-	-	-	-	(122.21)	-	-
Balance as at March 31, 2022	422.47	166.55	6,135.64	(71.70)	632.74	2,812.13	7.84	16,279.96	196.65	26,582.26

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Kartikaya Raval**

Partner

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

**Gautam S. Adani**

Chairman and Managing Director

DIN : 00006273

**Rajesh S. Adani**

Director

DIN : 00006322

**Karan Adani**

Wholesale Director and CEO

DIN : 03088095

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad

Date : May 24, 2022

Date : May 24, 2022

## Statement of Cash Flows for the year ended March 31, 2022

₹ in Crore

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash Flows from Operating Activities</b>		
Net profit before Tax	621.73	2,909.64
Adjustments for :		
Depreciation and Amortisation Expense	599.61	619.18
Unclaimed Liabilities / Excess Provision Written Back	(0.16)	(0.29)
Cost of assets transferred under Finance Lease	1.29	0.11
Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(62.24)	(62.24)
Loss on fair valuation of Financial Instruments	12.53	-
Financial Guarantees Income	(11.14)	(3.80)
Amortisation of Government Grant	(0.09)	(0.10)
Finance Costs	2,509.36	2,201.15
Derivative (Gain)/Loss (net)	(15.70)	125.70
Effect of exchange rate change	895.42	(718.48)
Profit on sale of Long term Investment	(63.76)	-
De-recognition of Services Exports from India Scheme receivables (refer note 8(c))	120.60	-
Allowance for Doubtful Inter Corporate Deposits (net), Interest and Perpetual Debt (refer note 4 (b) (ii))	491.17	-
Interest Income	(2,291.26)	(2,194.05)
Dividend Income	(95.85)	(7.01)
Net gain on sale of Current Investment	(0.92)	(4.62)
Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
Gain on Sale / Discard of Property, Plant and Equipment (net)	(1.35)	(0.09)
<b>Operating Profit before Working Capital Changes</b>	<b>2,710.96</b>	<b>2,866.82</b>
Adjustments for :		
Decrease in Trade Receivables	195.23	408.13
(Increase)/Decrease in Inventories	(6.62)	12.70
(Increase)/Decrease in Financial Assets	(158.14)	57.96
Decrease in Other Assets	181.79	307.24
Increase/(Decrease) in Provisions	1.79	(7.94)
Increase in Trade and Other Payables	110.52	0.99
Increase in Financial Liabilities	333.01	11.56
Decrease in Other Liabilities	(3.86)	(72.32)
<b>Cash Generated from Operations</b>	<b>3,364.68</b>	<b>3,585.14</b>
Direct Taxes paid (Net of Refunds)	(352.63)	(543.34)
<b>Net Cash generated from Operating Activities (A)</b>	<b>3,012.05</b>	<b>3,041.80</b>
<b>B. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment (Including capital work-in-progress, other Intangible assets, capital advances and capital creditors)	(633.77)	(553.07)
Proceeds from Sale of Property, Plant and Equipment	0.34	4.06
Investments made in Subsidiaries	(8,001.39)	(5,017.55)
Sale of investment in Subsidiary	116.27	-
Redemption of investment in Subsidiary	-	630.00
Proceeds from sale of Investment	-	6.03
Deposit given against Capital Commitments	(687.00)	(360.00)
Refund of deposit given against Capital Commitments	160.00	101.80
Loans / Inter Corporate Deposits (ICDs) given (refer foot note 3)	(39,363.73)	(36,357.71)
Loans / Inter Corporate Deposits (ICDs) received back (refer foot note 3)	40,607.30	31,865.09
Deposits in Bank (net) (including margin money deposits)	(3,099.19)	(198.53)

## Statement of Cash Flows for the year ended March 31, 2022

₹ in Crore

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Proceeds from Divestment Business Undertaking	188.65	-
Proceeds from sale of Investments in Mutual Fund (net)	0.92	16.51
Investment in Financial Instruments (net)	(216.01)	(926.02)
Dividend Received	95.85	7.01
Interest Received	2,028.57	2,815.78
<b>Net Cash used in Investing Activities (B)</b>	<b>(8,803.19)</b>	<b>(7,966.60)</b>
<b>C. Cash Flows from Financing Activities</b>		
Proceeds from Non-Current Borrowings	12,947.86	16,418.98
Repayment of Non-Current Borrowings	(4,500.94)	(10,141.13)
Proceeds from/(Repayment of) Current Borrowings (net)	1,686.82	(474.60)
Proceeds from Issue of new equity shares	800.00	-
Interest & Finance Charges Paid	(2,602.84)	(1,953.13)
Repayment of lease liabilities	(19.20)	(1.80)
Gain/(Loss) on settlement / cancellation of derivative contracts	17.16	(20.94)
Payment of Dividend on Equity and Preference Shares	(1,020.42)	(0.23)
<b>Net Cash generated from Financing Activities (C)</b>	<b>7,308.44</b>	<b>3,827.15</b>
<b>D. Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,517.30</b>	<b>(1,097.65)</b>
<b>E. Cash and Cash Equivalents at the Beginning of the Year</b>	<b>3,310.74</b>	<b>4,408.39</b>
<b>F. Cash and Cash Equivalents at the End of the Year (refer note 11)</b>	<b>4,828.04</b>	<b>3,310.74</b>
<b>Components of Cash &amp; Cash Equivalents (refer note 11)</b>		
Cash on Hand	0.04	0.18
Balances with Scheduled Banks		
- In Current Accounts	4,827.00	2,806.07
- In Fixed Deposit Accounts	1.00	504.49
<b>Cash and Cash Equivalents at the end of the year</b>	<b>4,828.04</b>	<b>3,310.74</b>

Summary of significant accounting policies refer note 2.2

### Note:

- The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- 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 (16)(a).
- Subsequent to the balance sheet date, the Company has given Loans/Inter Corporate Deposits (Loans and ICDs) with contractual maturity of less than twelve months amounting to ₹15,828.85 crores, where repayments have been guaranteed by a related party. Loans and ICDs of ₹12,265.85 crores have been subsequently received along with interest (refer note 6).

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Kartikya Raval**

Partner

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

**Gautam S. Adani**

Chairman and Managing Director

DIN : 00006273

**Karan Adani**

Wholetime Director and CEO

DIN: 03088095

**Rajesh S. Adani**

Director

DIN : 00006322

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad

Date : May 24, 2022

Date : May 24, 2022

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 1. Corporate information

The financial statements comprise financial statements of Adani Ports and Special Economic Zone Limited ("the Company " or "APSEZL") for the year ended March 31, 2022. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad-382421.

The Company is in the business of development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Port at Mundra. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional port terminals and south port terminal infrastructure facilities are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years period effective from February 17, 2001. At Mundra, the Company has expanded port infrastructure facilities through approved supplementary concession agreement (pending to be concluded) which will be effective till the year 2040, whereby port infrastructure has been developed at Wandh at Mundra to handle coal cargo. The said agreement is in the process of getting signed with GoG and GMB although Coal terminal at Wandh is recognized as commercially operational w.e.f. February 01, 2011.

The first Container Terminal facility (CT-1) developed at Mundra, was transferred under a Sub-Concession Agreement entered on January 7, 2003 between Mundra International Container Terminal Limited (MICTL) and the Company in line with the Concession Agreement, wherein the ownership of the asset (CT 1) was transferred by the Company to the MICTL. MICTL was given rights to handle container cargo at the CT 1 Terminal for a period that was co-terminus with the Concession Agreement of Mundra Port, i.e. till February 17, 2031. The container terminal facilities developed at South Port location include CT-3, for development of which the Company had entered into an agreement with the Adani International Container Terminal Private Limited (AICTPL), a 50:50 Joint Venture between the Company and MSC (Mediterranean Shipping Company). AICTPL

is a sub-concessionaire as per the arrangement and the ownership of the CT 3 Terminal is transferred to AICTPL in line with the Sub-Concession Agreement dated October 17, 2011. The period of the Sub-Concession Agreement is co-terminus with the Concession Agreement of Mundra Port, and during the said period AICTPL can handle container cargo at CT 3 terminal. In the financial year 2017-18, Sub-Concession Agreement was entered into for the extension of CT 3 Terminal. This terminal, an extension of CT 3 was developed and ownership of the same was also transferred to AICTPL in line with the above. Operations commenced at CT 3 Extension w.e.f. November 01, 2017. As part of South Port, the third Container Terminal is CT 4, the ownership of this terminal is also transferred after development to a sub-concessionaire in line with the Mundra Concession Agreement; who in this case is Adani CMA Mundra Terminal Private Limited (ACMTPL), a 50:50 Joint Venture between the Company and CMA Terminals, France (joint venture agreement dated July 30, 2014). The Sub-Concession Agreements for Terminals of CT 3, CT 3 Extension and CT 4 are to be approved by GOG for the final signing between parties and GMB as confirming party.

The Multi Product Special Economic Zone developed at Mundra by the Company along with port infrastructure facilities is approved by the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 and subsequently amended from time to time till date. The Company has also set up Free Trade and Warehousing Zone at Mundra based on approval of Ministry of Commerce and Industry vide letter no.F.1/16/2011-SEZ dated January 04, 2012. The Company has also set up additional Multi Product Special Economic Zone at Mundra Taluka over an area of 1,856 hectares as per approval from Ministry of Commerce and Industry vide approval letter dated April 24, 2015. The Company has received single notification consolidating all three notified SEZ in Mundra vide letter dated March 15, 2016 of Ministry of Commerce and Industry, Department of Commerce (SEZ Section).

The financial statements were authorised for issue in accordance with a resolution of the directors on May 24, 2022.

### 2. Basis of Preparation

2.1 The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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

### 2.2 Summary of significant accounting policies

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

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

#### b) Foreign currency transactions :

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

#### 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 the standalone Financial Statements

for the year ended March 31, 2022

- 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 and for non recurring fair value measurement, such as an assets under the scheme of business undertaking.

External valuers are involved for valuation of significant assets, such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities. Involvement of external valuers is decided upon annually by the Management and in specific cases after discussion with and approval by the Company's Audit Committee. 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.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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 34.2 and 2.3)
- Quantitative disclosures of fair value measurement hierarchy (refer note 34.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 34.1)

### d) Revenue recognition

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.

#### 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 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.

#### 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.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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.

### 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 .

### Income from SEIS

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

### 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.

### Dividends

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

### 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.

Waterfront royalty on cargo under the concession agreement is paid at concessional rate in terms of rate prescribed by Gujarat Maritime Board (GMB) and notified in official gazette of Government of Gujarat, wherever applicable.

### f) Taxes

Tax expense comprises of current income tax and deferred tax.

#### Current income tax

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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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

### Deferred tax

Deferred tax is provided using the 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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

costs (if capitalisation criteria are met) and other cost directly attributable to bringing the asset to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property, plant and equipment as deemed cost at the date of transition to Ind AS i.e April 01, 2015.

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

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

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

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

estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Assets	Estimated Useful life
Leasehold Land Development	Over the balance period of Concession Agreement and approved Supplementary Concession Agreement by Gujarat Maritime board as applicable
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement
Dredging Pipes - Plant and Machinery	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Equipment	4 Years and 10 Years respectively
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Machinery	6 Years
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Bridges, Drains & Culverts	25 Years as per concession agreement
Carpeted Roads - Other than RCC	10 Years
Tugs	20 Years as per concession agreement

At the end of the sub-concession agreement and supplementary concession agreement, all contracted immovable and movable assets shall be transferred to and shall vest in Gujarat Maritime Board ('GMB') for consideration equivalent to the Depreciated

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

Replacement Value (the 'DRV'). Currently DRV is not determinable, accordingly, residual value of contract asset is considered to be the carrying value based on depreciation rates as per management estimate/ Schedule II of the Companies Act, 2013 at the end of concession period.

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

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

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

### h) Intangible assets

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

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is

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

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

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

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

Intangible Assets	Method of Amortisation	Estimated Useful life
Software applications	on straight line basis	5 Years based on management estimate
Railway License	on straight line basis	35 Years based on validity of license

### 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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### j) Leases

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

#### Company as a lessee

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

#### i) Right-of-Use Assets

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

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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### Company as a lessor

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

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

### k) Inventories

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

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

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

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

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

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

### l) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that

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

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

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

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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.

Goodwill is tested for impairment annually as at every year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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

#### General

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

#### Operational Claim provisions

Provisions for operational claims are recognised when the service is provided to the customer. Further recognition is based

on historical experience. The initial estimate of operational claim related cost is revised annually.

### 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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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.

#### Financial assets

##### Initial recognition and measurement

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

##### Subsequent measurement

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

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

##### Debt instruments at amortised cost

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

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

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

##### 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.

##### 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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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.

### Derecognition

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

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

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

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

### Impairment of financial assets

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

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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### **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.

### **Financial liabilities**

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

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

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

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

#### **Subsequent measurement**

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

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

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

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

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

### **Loans and borrowings**

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

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

This category generally applies to borrowings.

### **Financial guarantee contracts**

Financial guarantee contracts issued by the Company 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. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### Derecognition

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

### Reclassification of financial assets

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

### 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) Redeemable preference shares

Redeemable preference shares, being Compound Financial Instrument are separated into liability and equity component based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined 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.

Transaction costs are apportioned between the liability and equity component of the redeemable preference shares based on the allocation of proceeds to the liability and equity component when the instruments are initially recognised.

### r) 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.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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.

### s) Cash dividend to equity holders of the company

The Company recognises a liability to make cash to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### t) 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.

### u) Amended standards adopted by the Company

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

### 1. Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

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

### The amendments include the following practical expedients:

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

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

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

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

### 2. Conceptual framework for financial reporting under Ind AS issued by ICAI

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

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

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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

preparers for accounting periods beginning on or after 1 April 2021.

### 3. Ind AS 116: COVID-19 related rent concessions

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

### 4. Ind AS 103: Business combination

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

### 5. Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

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

### 2.3 Significant accounting 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.

### 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. Refer note 4 (b).

#### 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 27.

### Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose,

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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 34 for further disclosures.

### 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.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right-of-Use assets, Other Intangible Assets, Goodwill and Capital Work-in-Progress

#### Note 3(a) Property, Plant and Equipment

Particulars	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Land Development cost	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Railway Wagons	Tugs and Boats	Project Assets	Total
<b>Cost</b>															₹ In Crore
As at April 1, 2020	575.91	2,222.60	80.39	327.55	84.32	3,381.65	181.97	22.24	2,571.33	1,928.16	298.81	22.30	18.02	984.20	12,697.45
Additions	8.37	132.44	22.10	2.51	18.47	58.36	10.20	0.61	44.12	0.92	-	49.75	-	28.63	376.48
Deductions/Adjustment	(0.11)	(1.24)	(3.83)	(0.49)	(2.54)	(6.50)	(5.37)	(2.37)	-	(0.31)	-	(72.05)	(0.03)	(33.87)	(128.71)
Exchange difference	-	(6.14)	-	-	-	(12.11)	-	-	(2.92)	(8.96)	(1.49)	-	-	(0.64)	(52.26)
As at March 31, 2021	582.17	2,347.66	98.66	329.57	100.25	3,421.40	186.80	20.48	2,612.53	1,919.81	297.32	-	17.99	978.32	12,912.96
Additions	60.29	25.55	19.20	12.71	8.17	296.15	5.85	4.84	63.53	0.29	-	267.99	0.47	50.86	815.90
Deductions/Adjustment	(1.31)	-	-	-	-	(85.36)	(0.09)	(0.63)	-	-	-	(267.99)	-	(1.28)	(356.66)
Exchange difference	-	-	-	-	-	0.33	-	-	-	-	-	-	-	1.05	1.38
Transfer pursuant to Composite Scheme of Arrangement (refer note 42(a))	-	(127.47)	-	-	(0.01)	(36.41)	(0.26)	-	-	-	(297.32)	-	-	-	(461.47)
As at March 31, 2022	641.15	2,245.74	117.86	342.28	108.41	3,596.11	192.30	24.69	2,676.06	1,920.10	-	-	18.46	1,028.95	12,912.11
<b>Accumulated Depreciation</b>															
As at April 1, 2020	-	497.33	37.57	80.89	35.73	894.60	28.08	14.01	199.61	150.25	137.39	0.05	8.28	431.44	2,515.23
Depreciation for the year	-	81.41	15.00	16.47	16.41	239.77	18.70	2.14	51.66	42.15	21.32	0.12	1.61	88.86	595.62
Deductions/Adjustment	-	(1.17)	(3.82)	(0.49)	(2.53)	(3.04)	(5.16)	(2.32)	-	(0.31)	-	(0.17)	(0.02)	(24.29)	(43.32)
As at March 31, 2021	-	577.57	48.75	96.87	49.61	1,131.33	41.62	13.83	251.27	192.09	158.71	-	9.87	496.01	3,067.53
Depreciation for the year	-	78.36	18.68	16.48	16.76	235.18	19.42	1.89	52.72	41.66	-	0.10	1.53	87.83	570.61
Deductions/Adjustment	-	-	-	-	-	(56.92)	(0.07)	(0.61)	-	-	-	(0.10)	-	(1.15)	(58.85)
Transfer pursuant to Composite Scheme of Arrangement (refer note 42(a))	-	(29.02)	-	-	(0.01)	(16.97)	(0.12)	-	-	-	(158.71)	-	-	-	(204.83)
As at March 31, 2022	-	626.91	67.43	113.35	66.36	1,292.62	60.85	15.11	303.99	233.75	-	-	11.40	582.69	3,374.46
<b>Net Block</b>															
As at March 31, 2021	582.17	1,770.09	49.91	232.70	50.64	2,290.07	145.18	6.65	2,361.26	1,727.72	138.61	-	8.12	482.31	9,845.43
As at March 31, 2022	641.15	1,618.83	50.43	228.93	42.05	2,303.49	131.45	9.58	2,372.07	1,686.35	-	-	7.06	446.26	9,537.65

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill (Contd...)

- i) Depreciation of ₹14.98 crore (previous year ₹16.10 crore) relating to the project assets has been allocated to Capitalisation / Capital Work-in-Progress.
- ii) Freehold Land includes land development cost of ₹12.56 crore (previous year ₹12.56 crore).
- iii) Plant and Equipment includes cost of Water Pipeline amounting to ₹3.37 crore (Gross) (previous year ₹3.37 crore), accumulated depreciation ₹2.75 crore (previous year ₹2.37 crore) which is constructed on land not owned by the Company.
- iv) Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹180.18 crore (Gross) (previous year ₹180.18 crore), accumulated depreciation ₹62.85 crore (previous year ₹54.18 crore).  
The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.
- v) Reclaimed land measuring 1093.53 hectare are pending to be registered in the name of the Company.
- vi) Project Assets includes dredgers and earth moving equipments.
- vii) Free Hold and Lease Hold Land includes Land given on Operating Lease Basis:  
Gross Block as at March 31, 2022 : ₹6.71 crore (previous year : ₹6.71 crore)  
Accumulated Depreciation as at March 31, 2022 : ₹0.41 crore (previous year : ₹0.36 crore)  
Net Block as at March 31, 2022 : ₹6.30 crore (previous year : ₹6.35 crore)
- viii) Refer footnote to note 14 and 18 for security / charges created
- ix) Following is the details of immovable properties not held in the name of the Company

₹ in Crore						
Relevant line items in the Balance sheet	Description of item of property	Gross Carrying Value	Title deeds held in name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter or director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipment	Reclaimed Land	180.18	NA	NA	NA	Reclaimed land allotment is being processed by Government of Gujarat (GOG).

### Note 3(b) Right-of-use assets

₹ in Crore			
Particulars	Land	Building	Total
<b>Cost</b>			
<b>As at April 1, 2020</b>	<b>277.44</b>	<b>60.42</b>	<b>337.86</b>
Addition during the year	69.22	-	69.22
<b>As at March 31, 2021</b>	<b>346.66</b>	<b>60.42</b>	<b>407.08</b>
Additions	57.41	-	57.41
Deductions/Adjustment	(0.32)	-	(0.32)
Transfer pursuant to Composite Scheme of Arrangement (refer note 42(a))	(25.09)	-	(25.09)
<b>As at March 31, 2022</b>	<b>378.66</b>	<b>60.42</b>	<b>439.08</b>
<b>Accumulated Depreciation</b>			
<b>As at April 1, 2020</b>	14.12	5.66	19.78
Depreciation for the year	17.07	5.66	22.73

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill (Contd...)

Particulars	₹ in Crore		
	Land	Building	Total
<b>As at March 31, 2021</b>	<b>31.19</b>	<b>11.32</b>	<b>42.51</b>
Depreciation for the year	22.09	5.66	27.75
Deductions/Adjustment	(0.16)	-	(0.16)
Transfer pursuant to Composite Scheme of Arrangement (refer note 42(a))	(3.03)	-	(3.03)
<b>As at March 31, 2022</b>	<b>50.09</b>	<b>16.98</b>	<b>67.07</b>
<b>Net Block</b>			
As at March 31, 2021	315.47	49.10	364.57
<b>As at March 31, 2022</b>	<b>328.57</b>	<b>43.44</b>	<b>372.01</b>

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

(ii) Refer footnote to note 14 and 18 for security / charges created

#### Note 3(c) Other Intangible Assets

Particulars	₹ in Crore		
	Software	Railway License	Total
<b>Cost</b>			
<b>As at April 1, 2020</b>	<b>78.04</b>	<b>5.00</b>	<b>83.04</b>
Additions	6.74	-	6.74
Deductions/Adjustment	(7.96)	-	(7.96)
<b>As at March 31, 2021</b>	<b>76.82</b>	<b>5.00</b>	<b>81.82</b>
Additions	72.97	-	72.97
<b>As at March 31, 2022</b>	<b>149.79</b>	<b>5.00</b>	<b>154.79</b>
<b>Accumulated Amortisation</b>			
<b>As at April 1, 2020</b>	<b>45.27</b>	<b>0.17</b>	<b>45.44</b>
Amortisation for the year	16.79	0.14	16.93
Deductions/Adjustment	(7.96)	-	(7.96)
<b>As at March 31, 2021</b>	<b>54.10</b>	<b>0.31</b>	<b>54.41</b>
Amortisation for the year	16.09	0.14	16.23
<b>As at March 31, 2022</b>	<b>70.19</b>	<b>0.45</b>	<b>70.64</b>
<b>Net Block</b>			
As at March 31, 2021	22.72	4.69	27.41
<b>As at March 31, 2022</b>	<b>79.60</b>	<b>4.55</b>	<b>84.15</b>

i) Refer footnote to note 14 and 18 for security / charges created

#### Note 3(d) Goodwill

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Carrying value at the beginning	44.86	44.86
Carrying value at the end	44.86	44.86

i) Refer footnote to note 14 and 18 for security / charges created

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill (Contd...)

#### Note 3(e) Capital Work-in-Progress

##### Capital Work-in-Progress (CWIP)

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Opening	590.23	675.36
Additions	934.22	315.01
Capitalised during the year	(907.41)	(400.14)
Transfer Pursuant to Composite Scheme of Arrangement	(2.96)	-
Closing	<b>614.08</b>	<b>590.23</b>

(i) Refer footnote to note 14 and 18 for security / charges created

#### Capital Work-in-Progress (CWIP) Ageing

As at March 31, 2022

CWIP	₹ in Crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	242.84	119.40	129.16	122.68	614.08
<b>Total</b>	<b>242.84</b>	<b>119.40</b>	<b>129.16</b>	<b>122.68</b>	<b>614.08</b>

As at March 31, 2021

CWIP	₹ in Crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	213.36	188.42	152.91	35.54	590.23
<b>Total</b>	<b>213.36</b>	<b>188.42</b>	<b>152.91</b>	<b>35.54</b>	<b>590.23</b>

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

### 4. Non - Current Investments

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
<b>Unquoted</b>		
<b>In Equity Shares of Company [(Investment at fair value through OCI) (refer note (d) below)]</b>		
5,00,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹10 each of Kutch Railway Company Limited	275.00	262.50
Nil (previous year 5,50,000) fully paid Equity Shares of ₹10 each of Mundra Solar Technopark Private Limited (refer note (p) below)	-	0.94
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Mundra LPG Terminal Private Limited	0.05	0.05
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Dhamra LPG Terminal Private Limited	0.05	0.05
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of NQXT Port Pty Limited (formerly known as Mundra Port Pty Limited)	*-	*-
<b>Total FVTOCI Investment</b>	<b>275.10</b>	<b>263.54</b>
<b>In Equity Shares of subsidiaries (valued at cost)</b>		
65,50,00,000 (previous year 65,50,00,000) fully paid Equity Shares of ₹10 each of Adani Logistics Limited (refer note (e) below)	735.84	729.50
25,61,53,846 (previous year 25,61,53,846) fully paid Equity Shares of ₹10 each of Adani Petronet (Dahej) Port Private Limited**	256.15	256.15

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 4. Non - Current Investments (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
24,50,000 (previous year 24,50,000) fully paid Equity Shares of ₹10 each of Mundra SEZ Textile and Apparel Park Private Limited	2.45	2.45
4,50,00,000 (previous year 4,50,00,000) fully paid Equity Shares of ₹10 each of Karnavati Aviation Private Limited (refer note (e) below)	62.95	62.95
Nil (previous year 1,31,35,000) fully paid Equity Shares of ₹10 each of MPSEZ Utilities Limited (Formerly known as MPSEZ Utilities Private Limited) (refer note (e) and (m) below)	-	52.53
11,58,88,500 (previous year 11,58,88,500) fully paid Equity Shares of ₹10 each of Adani Murmugao Port Terminal Private Limited (refer note (b) (iii) below)	115.89	115.89
35,00,000 (previous year 35,00,000) fully paid Equity Shares of ₹10 each of Mundra International Airport Private Limited (refer note (e) below)	3.86	3.86
71,54,70,000 (previous year 71,54,70,000) fully paid Equity Shares of ₹10 each of Adani Hazira Port Limited (refer note (a) below) (Formerly known as Adani Hazira Port Private Limited)	715.47	715.47
10,12,80,000 (previous year 10,12,80,000) fully paid Equity Shares of ₹10 each of Adani Vizag Coal Terminal Private Limited (refer note (b) (i) below)	101.28	101.28
12,00,50,000 (previous year 12,00,50,000) fully paid Equity Shares of ₹10 each of Adani Kandla Bulk Terminal Private Limited (refer note (b) (ii) and (c) below)	120.05	120.05
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Warehousing Service Private Limited	0.05	0.05
3,00,000 (previous year 3,00,000) fully paid Equity Shares of ₹10 each of Adani Hospitals Mundra Private Limited (refer note (e) below)	0.72	0.72
19,20,00,000 (previous year 19,20,00,000) fully paid Equity Shares of ₹10 each of Adani Ennore Container Terminal Private Limited	192.00	192.00
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)	0.05	0.05
13,50,50,000 (previous year 13,50,50,000) fully paid Equity Shares of ₹10 each of Shanti Sagar International Dredging Limited (refer note (e) below) (Formerly known as Shanti Sagar International Dredging Private Limited)	142.40	142.40
89,70,00,000 (previous year 89,70,00,000) fully paid Equity Shares of ₹10 each of Adani Vizhinjam Port Private Limited (refer note (a) and (e) below)	902.00	902.00
114,80,00,000 (previous year 114,80,00,000) fully paid Equity Shares of ₹10 each of The Dhamra Port Company Limited (refer note (a) and (e) below)	2,811.22	2,811.22
1,01,000 (previous year 1,01,000) fully paid Equity Shares of AUD 1 each of Abbot Point Operations Pty Limited (refer note (e) below)	12.84	12.84
5,76,92,155 (previous year 5,76,92,155) fully paid Equity Shares of ₹10 each of The Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Private Limited)	106.26	106.26
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Madurai Infrastructure Private Limited (Formerly known as Mundra LPG Infrastructure Private Limited)	0.05	0.05
11,850 (previous year 11,850) fully paid Equity Shares of ₹100 each of Adinath Polyfills Private Limited	38.51	38.51

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 4. Non - Current Investments (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
4,900 (previous year 4,900) fully paid Equity Shares of ₹10 each of Dholera Infrastructure Private Limited	*-	*-
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Ports Technologies Private Limited (formerly known as Mundra International Gateway Terminal Private Limited)	0.05	0.05
38,80,00,000 (previous year 38,80,00,000) fully paid Equity Shares of ₹10 each of Marine Infrastructure Developer Private Limited	388.00	388.00
8,85,76,159 (previous year 6,64,32,120) fully paid Equity Shares of ₹10 each of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) (refer note (h))	6,194.01	3,395.01
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Mundra Crude Oil Terminal Private Limited (formerly known as Adani Bhavanapadu Port Private Limited)	0.05	0.05
Nil (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Tracks Management Services Private Limited (refer note (i))	-	0.05
1,000 (previous year 1,000) fully paid Equity Shares of SGD 1 each of Coastal International Terminals Pte Ltd (Formerly known as Adani International Terminals Pte Limited) (refer note (e) below)	6.36	6.36
5,50,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Mundra Solar Technopark Private Limited (refer note (p) below)	0.56	-
50,000 (previous year 50,000) fully paid Equity Shares of ₹10 each of Adani Pipelines Private Limited	0.05	0.05
50,000 (previous year Nil) fully paid Equity Shares of ₹10 each of HDC Bulk Terminal Limited (refer note (l))	0.05	-
5,53,409 (previous year 5,53,409) fully paid Equity Shares of BDT 10 each of Adani Bangladesh Ports Private Limited	0.47	0.47
6,000 (previous year 6,000) fully paid Equity Shares of USD 1 each of Anchor Port Holding Pte Limited (formerly known as Adani Mundra Port Holding Pte Limited)	0.04	0.04
50,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Adani Gangavaram Port Private Limited (refer note (l))	0.05	-
10,000 (previous year Nil) fully paid Equity Shares of ₹10 each of Aqua Desilting Private Limited (refer note (k))	0.01	-
5000 (Previous year Nil) fully paid Equity Shares of USD 1 each of Adani International Ports Holdings Pte. Limited (refer note (l))	0.04	-
20,00,01,983 (previous year Nil) fully paid Equity Shares of ₹10 each of Adani Tracks Management Services Private Limited (formerly known as Sarguja Rail Corridor Private Limited) (refer note 42 (a))	4,895.76	-
10,00,000 (previous year 10,00,000) fully paid Equity Shares of ₹10 each of Dighi Port Limited (refer note (j) below)	1.00	1.00
	<b>17,806.54</b>	<b>10,157.31</b>
<b>In Equity Shares of joint ventures (valued at cost)</b>		
32,22,31,817 (previous year 32,22,31,817) fully paid Equity Shares of ₹10 each of Adani International Container Terminal Private Limited (refer note (e) below)	341.03	341.03
5,93,78,278 (previous year 5,93,78,278) fully paid Equity Shares of ₹10 each of Adani CMA Mundra Terminal Private Limited (refer note (a) and (e) below)	63.86	63.86
	<b>404.89</b>	<b>404.89</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 4. Non - Current Investments (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
<b>In Equity Shares of Associate (valued at cost)</b>		
21,65,86,700 (previous year Nil) fully paid Equity Shares of ₹10 each of Gangavaram Port Limited (refer note (n))	2,624.88	-
<b>Investment in Non Cumulative Convertible Debentures of subsidiary (valued at cost) (refer note (o))</b>		
245,70,00,000 (previous year 245,70,00,000) 0.01% Non Cumulative Compulsory Convertible Debentures of ₹10 each of The Dhamra Port Company Limited	2,457.00	2,457.00
<b>Investment in Perpetual Non-Cumulative Non-convertible Debentures of subsidiaries (valued at cost) (refer note (f) below)</b>		
120,00,00,000 (previous year 120,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of The Dhamra Port Company Limited	1,200.00	1,200.00
50,00,00,000 (previous year 50,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Adani Logistics Limited	500.00	500.00
40,00,000 (previous year 40,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Adani Hospitals Mundra Private Limited	4.00	4.00
70,00,000 (previous year 70,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Mundra International Airport Private Limited	7.00	7.00
18,50,00,000 (previous year 18,50,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Karnavati Aviation Private Limited	185.00	185.00
110,00,00,000 (previous year 110,00,00,000) 6.50% Unsecured Perpetual Non-Cumulative Non-Convertible Debentures of ₹10 each of Marine Infrastructure Developer Private Limited	1,100.00	1,100.00
<b>Investment in Perpetual Debt of subsidiaries (valued at cost) (refer note (f) below)</b>		
Adani Logistics Limited	3,703.00	2,190.00
Adani Vizhinjam Port Private Limited	1,274.90	-
Madurai Infrastructure Private Limited	233.93	233.93
Marine Infrastructure Developer Private Limited	500.00	500.00
Adani Ennore Container Terminal Private Limited	500.00	500.00
Adani Kandla Bulk Terminal Private Limited (refer note (b) (ii) below)	250.00	250.00
Dighi Port Limited	764.90	-
Mundra SEZ Textile and Apparel Park Private Limited	25.00	-
Adani Ports Technologies Private Limited	0.04	-
Mundra Crude Oil Terminal Private Limited	207.82	-
<b>Investment in Compulsory Convertible Cumulative Participatory Preference Shares (valued at cost)</b>		
0.001% 68,00,07,962 (previous year 68,00,07,962) Compulsory Convertible Cumulative Participatory Preference Shares of ₹10 each of Adani Krishnapatnam Port Limited	924.49	924.49

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 4. Non - Current Investments (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
<b>Investment in Compulsory Convertible Debentures (valued at cost)</b>		
1,28,79,640 (previous year Nil) Compulsory Convertible Debentures of ₹100 each of Adani Tracks Management Services Private Limited (formerly known as Sarguja Rail Corridor Private Limited) (refer note 42(a))	152.00	-
<b>Investment in Non Convertible Redeemable Debentures (valued at cost)</b>		
6.25 % 5000 (previous year Nil) Non Convertible Redeemable Debentures of ₹10,00,000 each of Adani Vizhinjam Port Private Limited	500.00	-
<b>Other Investment (Investment valued at fair value through profit and loss)</b>		
1,14,203 units (previous year Nil) of Special Infrastructure Investment Scheme of ASSIS	1,129.49	-
	<b>36,729.98</b>	<b>20,877.16</b>
Impairment for Investment in Adani Vizag Coal Terminal Private Limited (refer note (b) (i) below)	(101.28)	(101.28)
Provision for Diminution in value of Perpetual Non-Convertible Debentures of Mundra International Airport Private Limited	(7.00)	(7.00)
Provision for Diminution in value of Perpetual Debt of Adani Kandla Bulk Terminal Private Limited (refer note 4(b)(ii))	(250.00)	
	<b>36,371.70</b>	<b>20,768.88</b>

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

\*\* The Company has power over the entity and ability to affect its return and hence considered it as subsidiary

#### Notes:

a) Number of Shares pledged with banks against borrowings by the respective companies are as per below.

Particulars	No of Shares Pledged	
	March 31, 2022	March 31, 2021
<b>Subsidiary Companies</b>		
(i) Adani Hazira Port Limited	19,50,00,000	19,50,00,000
(ii) The Dhamra Port Company Limited	34,44,00,000	34,44,00,000
(iii) Adani Vizhinjam Port Private Limited	-	26,91,00,000
<b>Joint Venture</b>		
(i) Adani CMA Mundra Terminal Private Limited	3,02,82,922	3,02,82,922
	<b>56,96,82,922</b>	<b>83,87,82,922</b>

b) (i) Adani Vizag Coal Terminal Private Limited ("AVCTPL"), a subsidiary of the Company is engaged in Port services under concession from one of the port trust authorities of the Government of India. During the previous year, on October 03, 2020, AVCTPL had received the consultation notice for shortfall in Minimum Guarantee Cargo (MGC) from Visakhapatnam Port Trust ("VPT"). In response to the said letter, AVCTPL contested the said consultation notice on the grounds that the consultation notice is not valid since notified force majeure event due to COVID-19 pandemic was still under continuances. Also since the force majeure event has exceeded 120 days, AVCTPL has initiated termination on mutual consent as per right under the concession agreement. VPT has also issued the counter termination and the matter is under arbitration. The Company has reassessed the carrying values of its loan and equity investment in AVCTPL in light of the aforesaid developments and has continued to carry these balances at values net of impairment provisions amounting to ₹297.38 crore (₹228.85 crore net of tax).

ii) Adani Kandla Bulk Terminal Private Limited ("AKBTPL"), a wholly owned subsidiary of the Company, is engaged in providing port services near Tuna outside Kandla creek at Kandla Port under concession from Deendayal Port Trust. The carrying amounts of long-term investments in equity shares and perpetual securities of AKBTPL amounts to ₹370.05 crore as at March 31, 2022 and non-current loans

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 4. Non - Current Investments (Contd...)

given to AKBTPPL amounts to ₹918.06 crore (including interest accrued ₹101.23 crore) as at March 31, 2022.

During the current year, the management of the Company has carried out detailed cash flow projections over the period of the Concession agreement for determining the recoverable value of its Investments in accordance with Ind AS 36 Impairment of Assets. During current year, the Company was impacted due to lower cargo volumes, which seem to be sustainable in near future considering coal volume handling over long term, pursuant to which the cargo projections were reassessed at the reporting date. Basis such assessment, the Management has revised the estimates relating to cargo traffic, port tariffs, inflation, discount rates, revenue share etc. which are reasonable over the entire concession period and determined the sustainable investments in AKBTPPL. On a careful evaluation of the aforesaid factors, the management of the Company has concluded its assessment and provision for impairment loss amounting to ₹491.23 crore has been recorded towards the Company's investments. The same has been presented as an exceptional item.

- (iii) The carrying amounts of long-term investments in equity shares of Adani Murmugao Port Terminal Private Limited ("AMPTPL") amounts to ₹115.89 crore as at March 31, 2022 and non-current loans given to AMPTPL amounts to ₹457.40 crore (including interest accrued ₹29.87 crore) as at March 31, 2022. The Company has been providing financial support to AMPTPL to meet its financial obligations as and when required in the form of loans, which are recoverable at the end of the concession period. AMPTPL was undergoing an arbitration with Murmugao Port Trust (MPT) for revenue share on deemed storage charges and loss of profit to AMPTPL due to failure of MPT to fulfil obligations as per concession agreement for a period till FY 2018-19. Post FY 2018-19, AMPTPL has received relief in terms of rationalized tariff on storage charges up to March 2020 from authorities and has filed application for similar relief for subsequent periods and awaiting approval. Subsequent to reporting date, the arbitration was concluded which affirms AMPTPL's claim for loss of return of capital and also upheld revenue share on deemed storage for three-year period on the Company. In earlier years, AMPTPL had made provision of ₹134.61 crore for revenue share on deemed storage charges against which ₹40.50 crore shall be payable as per the order. Considering the cure period, the financial impact of the same is not considered in the financial results.

The Company has determined the recoverable amounts of its investments and loans in AMPTPL as at March 31, 2022 by considering a discounted cash flow model. Such determination is based on significant estimates & judgements made by the management as regards the benefits of the rationalization of revenue share on storage income, cargo traffic, port tariffs, inflation, discount rates which have been considered over the remaining concession period and are considered reasonable by the Management. On a careful evaluation of the aforesaid factors, the Company's management has concluded that no provision for impairment in respect of such investments and loans is considered necessary at this stage.

- c) During the year 2016-17, the Company had accounted for purchase of 3,12,13,000 numbers of equity shares in Adani Kandla Bulk Terminal Private Limited at consideration of ₹31.21 crore. The equity shares have been purchased from the Adani Enterprises Limited, a group company whereby this entity has become a wholly owned subsidiary. As per the management, the transfer has been recorded based on Irrevocable Letter of Affirmation dated March 31, 2017 from the seller and acceptance by the Company although legal transfer of equity share of Adani Kandla Bulk Terminal Private Limited is still in process at year end.
- d) Reconciliation of Fair value measurement of the investment in unquoted equity shares

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
Opening Balance	263.54	251.04
Fair value Gain recognised in Other Comprehensive Income	12.12	12.50
Mundra Solar Technopark Private Limited became subsidiary (refer note ( p))	(0.56)	-
<b>Closing Balance</b>	<b>275.10</b>	<b>263.54</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 4. Non - Current Investments (Contd...)

e) Value of Deemed Investment accounted in subsidiaries and joint ventures in terms of fair valuation under Ind AS 109

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
i) Adani Logistics Limited	80.75	74.41
ii) Karnavati Aviation Private Limited	17.95	17.95
iii) MPSEZ Utilities Limited	-	0.02
iv) Mundra International Airport Private Limited	0.36	0.36
v) Adani Hospitals Mundra Private Limited	0.41	0.41
vi) Shanti Sagar International Dredging Limited	7.35	7.35
vii) The Dhamra Port Company Limited	68.54	68.54
viii) Abbot Point Operations Pty Limited	12.33	12.33
ix) Coastal International Terminals Pte Ltd	6.36	6.36
x) Adani International Container Terminal Private Limited	11.57	11.57
xi) Adani CMA Mundra Terminal Private Limited	4.48	4.48
xii) Adani Vizhinjam Port Private Limited	5.00	5.00
	<b>215.10</b>	<b>208.78</b>

- f) Investment in Perpetual Non-Cumulative Non-convertible Debenture / Perpetual Debt is redeemable / payable at issuer's option and can be deferred indefinitely.
- g) Aggregate amount of unquoted investments as at March 31, 2022 ₹36,371.70 crore (previous year ₹20,768.88 crore).
- h) During the previous year, the Company has acquired 75% equity shares of Adani Krishnapatnam Port Limited ("AKPL") (formerly known as Krishnapatnam Port Company Limited) on October 01, 2020. During the current year, the Company has acquired balance 25% stake in AKPL and hence it became wholly owned subsidiary of the Company w.e.f June 08, 2021.
- i) Pursuant to Composite Scheme of Arrangement, Adani Tracks Management Services Private Limited get dissolved into Adani Tracks Management Services Private Limited (formerly known as Sarguja Rail Corridor Private Limited).
- j) During the previous year, the Company has completed the acquisition of 100% stake in Dighi Port Limited ("DPL") under the Corporate Insolvency Resolution Plan ("CIRP") on February 15, 2021 with Equity Infusion of ₹1 crore. The Company has entered into the assignment agreement dated February 15, 2021 with the Financial Creditors of Dighi Port Limited for assignment of Debt of Dighi Port Limited at a value of ₹650 crore. Further DPL has incurred a cost of ₹54.71 crore towards the payment of CIRP cost.
- k) Aqua Desilting Private Limited has been incorporated as a wholly owned subsidiaries of the Company on February 17, 2021.
- l) Adani Gangavaram Port Private Limited, Adani International Ports Holdings Pte. Limited and HDC Bulk Terminal Limited have been incorporated as a wholly owned subsidiary of the Company on July 14, 2021, June 16, 2021 and March 07, 2022 respectively.
- m) During the current year, the Company has divested its investment in subsidiary company MPSEZ Utilities Limited ("MUL") on December 15, 2021 pursuant to which MUL ceased to be subsidiary of the Company.
- n) During the current year, the Company completed acquisition of 41.90% equity stake of Gangavaram Port Limited ("GPL") and has been accounted as an associate entity.
- o) Interest is payable at the discretion of issuer and conversion ratio is fixed to fixed at the maturity.
- p) On March 30, 2022 Subsidiary of company, Adani Logistic Limited has acquired 37.95% equity shares of Mundra Solar Technopark Private Limited ("MSTPL") from Adani Green Technology Limited. Subsequently MSTPL has become subsidiary of the Company by virtue of management control.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 5. Trade Receivables

(unsecured, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
Trade Receivables		
-Considered Good	1,139.63	1,694.76
Less : Allowances for expected credit loss	(57.50)	(62.34)
	<b>1,082.13</b>	<b>1,632.42</b>
Customers' Bill Discounted (refer note (c) below)	208.24	539.81
Other Trade Receivables	873.89	1,092.61
<b>Total Receivables</b>	<b>1,082.13</b>	<b>1,632.42</b>

Refer note 32 for Related Party Balances

#### Notes:

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
- Generally, as per credit terms trade receivable are collectable within 30-60 days although the Company provide extended credit period with interest between 7.5% to 9% considering business and commercial arrangements with the customers including with the related parties.
- The Carrying amounts of the trade receivables include receivables amounting to ₹208.24 crore (previous year ₹539.81 crore) which are subject to a bills discounting arrangement. Under this arrangement, the Company has transferred the relevant receivables to the bank / financial institution in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account as per the arrangement. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 18.
- Trade receivables ageing schedule for March 31, 2022 is as below

₹ in Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
			1	Undisputed Trade receivables - Considered good	503.29	251.68	182.36	
2	Allowances for expected credit loss	-	-	-	-	-	-	(57.50)
	<b>Total</b>							<b>1,082.13</b>

Trade receivables ageing schedule for March 31, 2021 is as below

₹ in Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
			1	Undisputed Trade receivables - Considered good	962.04	469.44	56.87	
2	Allowances for expected credit loss	-	-	-	-	-	-	(62.34)
	<b>Total</b>							<b>1,632.42</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 6. Loans

(Unsecured unless otherwise stated)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Loans to Related Parties</b>				
Considered Good (refer note 4 (b) (iii))	11,984.41	14,531.23	150.26	211.57
Credit impaired (refer note 4 (b) (i) and (ii))	336.10	196.10	8.91	8.92
<b>Loan to others</b>				
Considered Good (refer note below (i))	10.00	135.00	198.00	493.14
Credit impaired	-	-	-	0.05
	<b>12,330.51</b>	<b>14,862.33</b>	<b>357.17</b>	<b>713.68</b>
Less: Allowances for doubtful loans	(336.10)	(196.10)	(8.91)	(8.97)
	<b>11,994.41</b>	<b>14,666.23</b>	<b>348.26</b>	<b>704.71</b>

#### Note:

- (i) Loans/ Inter Corporate deposits given from time to time are based on terms approved by the Finance Committee of the Board of Directors of the Company as per the Treasury Policy, as permitted by the Articles of Association, and their repayment along with interest are guaranteed by unconditional and irrevocable Letter of Indemnity and Undertaking by a related party. (Refer note 3 to the Statement of Cashflows, note 34.3 (B) of Credit Risk, and note 32 Related Parties)

### 7. Other Financial Assets

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Security deposit (refer note 36 (i))</b>				
Considered good	1,656.38	1,120.06	18.60	15.55
Considered doubtful	-	-	7.27	7.27
	<b>1,656.38</b>	<b>1,120.06</b>	<b>25.87</b>	<b>22.82</b>
Less: Allowances for Doubtful Deposit	-	-	(7.27)	(7.27)
	<b>1,656.38</b>	<b>1,120.06</b>	<b>18.60</b>	<b>15.55</b>
Loans and advances to Employees	1.85	1.55	1.14	1.48
Lease Receivable (refer note (i) below)	1,890.38	1,631.93	63.02	47.42
Interest Accrued (refer note (ii) below)	151.32	67.88	617.27	705.77
Non Trade receivable	-	-	107.92	0.06
Derivatives instruments / Forward Contracts Receivable	1.22	-	0.34	15.05
	<b>3,701.15</b>	<b>2,821.42</b>	<b>808.29</b>	<b>785.33</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 7. Other Financial Assets (Contd...)

Note:

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

₹ in Crore

Particulars	March 31, 2022		March 31, 2021	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within one year	196.24	148.03	160.13	130.61
After one year but not later than five years	823.59	551.98	671.24	470.07
More than five years	3,311.00	1,253.39	3,154.71	1,078.67
<b>Total minimum lease receivables</b>	<b>4,330.83</b>	<b>1,953.40</b>	<b>3,986.08</b>	<b>1,679.35</b>
Less: Amounts representing finance charges	(2,377.43)	-	(2,306.73)	-
<b>Present value of minimum lease receivables</b>	<b>1,953.40</b>	<b>1,953.40</b>	<b>1,679.35</b>	<b>1,679.35</b>

- (ii) Inter Corporate Deposits ("ICD") aggregating to ₹199.05 crore extended by the Company to Adani International Container Terminal Private Limited ("AICTPL") is treated as subordinated loan to the Senior Secured USD Notes ("Notes") issued by AICTPL, as per the terms of the Notes (which was also approved by the Company).

Further interest and principal repayment in respect of this shareholder loan or ICDs can be made only from the surplus funds transferred to the Distribution Account by AICTPL in accordance with the Operating Account Waterfall (as defined in the terms of the Notes). As of March 31, 2022, accrued interest receivable on this loan is ₹6.34 crore, the same can be paid by AICTPL only from the surplus funds transferred to the said Distribution Account. The Company being one of the shareholder has agreed the above terms of arrangement and hence non-repayment of interest during the year has not been considered as default.

### 8. Other Assets

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Capital advances (refer note (a) and (d) below)	317.91	306.34	-	-
Balance with Government Authorities	4.50	4.50	106.64	76.24
Prepaid Expenses	7.92	9.64	16.79	49.99
Accrued Income	-	-	51.43	52.38
Contract Assets (refer note (b) below)	-	-	53.45	26.88
Advances recoverable other than in cash				
To related party	-	111.35	2.92	120.11
To others	-	-	33.02	35.52
Export benefit and other receivables (refer note (c) below)	-	120.60	-	-
Taxes recoverable (net of provision) (refer note 27)	520.60	364.57	-	-
	<b>850.93</b>	<b>917.00</b>	<b>264.25</b>	<b>361.12</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 8. Other Assets (Contd...)

#### Notes:

- (a) Capital advance includes ₹139.93 crore (previous year ₹98.48 crore) paid to various private parties and government authorities towards purchase of land.
- (b) 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.
- (c) On September 23, 2021 DGFT issued a notification, which restricts the Company's eligibility for SEIS benefits and also restricts the benefit up to ₹5 Crore per entity for FY 2019-20, pursuant to which the SEIS receivable amounting to ₹120.60 crore pertaining to FY 2019-20 has been written off during the current year and is shown as exceptional item. However, the Company has contested the legality and retrospective application of the said notification.
- (d) Capital advance is net of allowance for doubtful advance of ₹10.59 crore (previous year ₹10.59 crore).

### 9. Inventories

(At lower of cost and Net realisable value)

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
Stores and Spares, Fuel and Lubricants	79.33	74.22
	<b>79.33</b>	<b>74.22</b>

### 10. Current Investments

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
<b>Investment in Pass Through Certificates (Valued at Amortised Cost)</b>		
Nil (previous year 1,00,000) of Pass Through Certificates	-	926.02
	-	<b>926.02</b>
Aggregate carrying value of unquoted investment in Pass Through Certificates	-	926.02

### 11. Cash and Bank Balances

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Cash and Cash Equivalents</b>				
<b>Balances with banks:</b>				
Balance in current accounts*	-	-	4,827.00	2,806.07
Deposits with original maturity of less than three months	-	-	1.00	504.49
Cash on hand	-	-	0.04	0.18
	-	-	<b>4,828.04</b>	<b>3,310.74</b>
<b>Other Bank Balances</b>				
Deposits with maturity over 3 months but less than 12 months	-	-	-	150.00
In Current Accounts (earmarked for Unpaid Dividend)	-	-	1.96	1.50

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 11. Cash and Bank Balances (Contd...)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Margin Money Deposits (refer note below)	1,950.24	81.11	1,381.50	1.90
	<b>1,950.24</b>	<b>81.11</b>	<b>1,383.46</b>	<b>153.40</b>
Amount disclosed under Non-Current Financial Assets in Balance Sheet	(1,950.24)	(81.11)	-	-
	-	-	<b>6,211.50</b>	<b>3,464.14</b>

**Note:** Margin Money Deposits (net of overdraft facilities of ₹2,009.70 crore (Previous year ₹1,869.09 crore)) aggregating to ₹3,331.74 crore (previous year ₹83.01 crore) are pledged / lien against bank guarantees, letter of credit and other credit facilities.

\* includes cheques realised subsequent to the Balance Sheet date amounting ₹4,645.39 crore (Previous year ₹2,321.98 crore)

### 12. Share Capital

Particulars	March 31, 2022	March 31, 2021
	₹ in Crore	₹ in Crore
<b>Authorized share capital</b>		
<b>Equity share capital</b>		
5,47,50,00,000 (previous year 4,97,50,00,000) Equity Shares of ₹2 each	1095.00	995.00
<b>Preference Share Capital</b>		
50,00,000 (previous year 50,00,000) Non-Cumulative Redeemable Preference shares of ₹10 each	5.00	5.00
	<b>1100.00</b>	<b>1000.00</b>

**Note:-**

Pursuant to Composite Scheme of Arrangement, the authorized share capital of the Company has automatically stand increased by 50,00,00,000 equity shares upon scheme become effective (refer note 42(a)).

<b>Issued, subscribed and fully paid-up share capital</b>		
2,11,23,73,230 (previous year 2,03,17,51,761) fully paid up Equity Shares of ₹2 each	422.47	406.35
	<b>422.47</b>	<b>406.35</b>

#### a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2022		March 31, 2021	
	No	₹ In Crore	No	₹ In Crore
At the beginning of the year	2,03,17,51,761	406.35	2,03,17,51,761	406.35
Add: Issue of equity shares (refer note (ii) below)	1,00,00,000	2.00	-	-
Add: Issue of equity Shares pursuant to Composite Scheme of Arrangement (refer note (iii) below)	7,06,21,469	14.12	-	-
<b>Outstanding at the end of the year</b>	<b>2,11,23,73,230</b>	<b>422.47</b>	<b>2,03,17,51,761</b>	<b>406.35</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 12. Share Capital (Contd...)

#### Note

##### i) Terms/rights attached to equity shares

- The Company has only one class of equity share having par value of ₹2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) On April 19, 2021, the Company has allotted 1,00,00,000 equity shares having face value of ₹2 each on preferential basis to Windy Lakeside Investment Limited at an issue price of ₹800 per share (including premium of ₹798 per share).

#### For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

iii) Aggregate number of 7,06,21,469 (upto March 31, 2021: Nil) equity shares of ₹2 each have been allotted, Pursuant to Composite Scheme of Arrangement, (refer note 42(a)).

iv) Aggregate number of 3,92,00,000 (upto March 31, 2021: 3,92,00,000) equity shares bought back

#### b) Equity Component of Non-Cumulative Redeemable Preference shares

	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
	No.	₹ in Crore	No.	₹ in Crore
At the beginning of the year	25,01,824	166.53	25,01,824	166.53
Outstanding at the end of the year	25,01,824	166.53	25,01,824	166.53

##### i) Terms of Non-Cumulative Redeemable Preference shares

The Company has outstanding 25,01,824 (previous year 25,01,824) 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹10 each issued at a premium of ₹990 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference share holders. These shares are redeemable on March 28, 2024 at an aggregate premium of ₹247.68 crore (previous year ₹247.68 crore) (equivalent to ₹990.00 per share). In the event of liquidation of the Company, the holder of NCRPS (before redemption) will have priority over equity shares in the payment of dividend and repayment of capital. The preference shares carry fixed dividend which is non-discretionary.

The Preference Shares issued by the Company are classified as Compound Financial Instrument. These preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised as interest expense using the effective interest method.

The equity component of redeemable preference shares includes the securities premium amount received on issue of preference shares and the preference share capital, redemption premium reserve being created in compliance of the Companies Act, 2013.

##### c) Details of shareholders holding more than 5% shares in the Company

Equity Shares	March 31, 2022		March 31, 2021	
	No	% Holding in the Class	No	% Holding in the Class
<b>Equity shares of ₹2 each fully paid</b>				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	37.84%	79,93,53,935	39.34%
ii) Adani Tradeline LLP	13,81,93,549	6.54%	13,81,93,549	6.80%

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 12. Share Capital (Contd...)

Equity Shares	March 31, 2022		March 31, 2021	
	No	% Holding in the Class	No	% Holding in the Class
iii) Flourishing Trade and Investment Limited	11,44,54,607	5.42%	10,38,47,944	5.11%
iv) Life Insurance Corporation of India	20,95,27,194	9.92%	21,88,69,728	10.77%
<b>Non-Cumulative Redeemable Preference Shares of ₹10 each fully paid up</b>				
Priti G. Adani	5,00,365	20.00%	5,00,365	20.00%
Shilin R. Adani	5,00,364	20.00%	5,00,364	20.00%
Pushpa V. Adani	5,00,365	20.00%	5,00,365	20.00%
Ranjan V. Adani	5,00,455	20.00%	5,00,455	20.00%
Suvarna M. Adani	5,00,275	20.00%	5,00,275	20.00%
	<b>25,01,824</b>	<b>100.00%</b>	<b>25,01,824</b>	<b>100.00%</b>

#### d) Details of Equity Shares held by Promoter and Promoter Group at the end of the year As at March 31, 2022

Sr No	Promoter and Promoter Group Name	No of Shares at the end of the year	% of Total Shares	% Change during the year
1	Gautambhai Shantilal Adani	1	0.00%	-
2	Rajeshbhai Shantilal Adani	1	0.00%	-
3	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	37.84%	-
4	Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	30,000	0.00%	-
5	Adani Properties Private Limited	16,85,000	0.08%	-
6	Adani Rail Infra Private Limited	7,06,21,469	3.34%	NA
7	Adani Tradeline LLP	13,81,93,549	6.54%	-
8	Worldwide Emerging Market Holding Limited	8,60,92,798	4.08%	11%
9	Afro Asia Trade and Investments Limited	8,99,45,212	4.26%	-
10	Emerging Market Investments DMCC	8,41,79,195	3.99%	-
11	Flourishing Trade And Investments Ltd	11,44,54,607	5.42%	10%
	<b>Total</b>	<b>1,38,45,55,767</b>	<b>65.55%</b>	

#### As at March 31, 2021

Sr No	Promoter and Promoter Group Name	No of Shares at the end of the year	% of Total Shares	% Change during the year
1	Gautambhai Shantilal Adani	1	0.00%	-
2	Rajeshbhai Shantilal Adani	1	0.00%	-
3	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	39.34%	-

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 12. Share Capital (Contd...)

Sr No	Promoter and Promoter Group Name	No of Shares at the end of the year	% of Total Shares	% Change during the year
4	Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	30,000	0.00%	-
5	Adani Properties Private Limited	16,85,000	0.08%	NA
6	Adani Tradeline LLP	13,81,93,549	6.80%	-
7	Worldwide Emerging Market Holding Limited	7,77,56,181	3.83%	-
8	Afro Asia Trade and Investments Limited	8,99,45,212	4.43%	-
9	Emerging Market Investments DMCC	8,41,79,195	4.14%	-
10	Flourishing Trade And Investments Ltd	10,38,47,944	5.11%	1454%
11	Universal Trade and Investments Ltd	-	0.00%	-100%
	<b>Total</b>	<b>1,29,49,91,018</b>	<b>63.73%</b>	

#### e) Details of Non-Cumulative Redeemable Preference Shares held by Promoter and Promoter Group at the end of the year

As at March 31, 2022

Sr No	Promoter Group Name	No of Shares at the end of the year	% of Total Shares	% Change during the year
1	Priti G. Adani	5,00,365	20.00%	-
2	Shilin R. Adani	5,00,364	20.00%	-
3	Pushpa V. Adani	5,00,365	20.00%	-
4	Ranjan V. Adani	5,00,455	20.00%	-
5	Suvarna M. Adani	5,00,275	20.00%	-
6	<b>Total</b>	<b>25,01,824</b>	<b>100.00%</b>	

As at March 31, 2021

Sr No	Promoter Group Name	No of Shares at the end of the year	% of Total Shares	% Change during the year
1	Priti G. Adani	5,00,365	20.00%	-
2	Shilin R. Adani	5,00,364	20.00%	-
3	Pushpa V. Adani	5,00,365	20.00%	-
4	Ranjan V. Adani	5,00,455	20.00%	-
5	Suvarna M. Adani	5,00,275	20.00%	-
6	<b>Total</b>	<b>25,01,824</b>	<b>100.00%</b>	

### 13. Other Equity

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Equity Component of Non-Cumulative Redeemable Preference shares</b>		
Opening Balance	166.53	166.53
Closing Balance	<b>166.53</b>	<b>166.53</b>
<b>Securities Premium</b>		
Opening Balance	583.54	583.54

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 13. Other Equity (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Add: Premium on issue of equity shares on preferential basis (refer note (12(a) (ii))	798.00	-
Add: Premium on Issue of equity Shares pursuant to Composite Scheme of Arrangement (refer note (12(a) (iii) and 42(a))	4,754.10	-
Closing Balance	<b>6,135.64</b>	<b>583.54</b>

#### Note:-

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

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>General Reserve</b>		
Opening Balance	2,765.97	2,719.80
Add: Transfer from Debenture Redemption Reserve	46.16	46.17
Closing Balance	<b>2,812.13</b>	<b>2,765.97</b>

#### Note:-

The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Debenture Redemption Reserve (DRR)</b>		
Opening Balance	556.69	477.20
Add: Transferred from retained earnings	122.21	125.66
Less: Transferred to General Reserve	(46.16)	(46.17)
Closing Balance	<b>632.74</b>	<b>556.69</b>

#### Note:-

The Company has issued redeemable non-convertible debentures. The Company has been creating Debenture Redemption Reserve (DRR) as per the relevant provisions of the Companies Act 2013. However, according to Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Company is not required to create DRR on any fresh issue of Debentures. Accordingly, the Company has not created DRR on fresh issue of redeemable non-convertible debentures.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Capital Reserve</b>		
Opening Balance	-	-
Add: Loss pursuant to Composite Scheme of Arrangement	(71.70)	-
Closing Balance	<b>(71.70)</b>	-

#### Note:-

Capital reserves represents the difference between value of net assets transferred by the Company in the course of composite scheme of arrangement against divestment Business undertaking and the consideration received against such arrangement.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 13. Other Equity (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Capital Redemption Reserve (CRR)</b>		
Opening Balance	7.84	7.84
<b>Closing Balance</b>	<b>7.84</b>	<b>7.84</b>

**Note:-**

As per Companies Act, 2013, Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Retained Earnings</b>		
Opening Balance	17,128.30	15,328.41
Add : Profit for the year	297.56	1,927.93
Less : Dividend on Shares	(1,020.88)	-
Less : Transfer to Debenture Redemption Reserve	(122.21)	(125.66)
Less : Re-measurement (losses) on defined benefit plans (net of tax)	(2.81)	(2.38)
<b>Closing Balance</b>	<b>16,279.96</b>	<b>17,128.30</b>

**Note:-**

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

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Other Comprehensive Income</b>		
Opening Balance	186.06	175.50
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	10.59	10.56
<b>Closing Balance</b>	<b>196.65</b>	<b>186.06</b>

**Note:-**

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

<b>Total Other Equity</b>	<b>26,159.79</b>	<b>21,394.93</b>
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### Distribution made and proposed

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Cash Dividend on Equity Share declared and paid</b>		
Final Dividend for the year ended March 31, 2021 and March 31, 2020 (₹5 per share and ₹ Nil) on 2,04,17,51,761 equity shares	1,020.88	-
	<b>1,020.88</b>	<b>-</b>
<b>Proposed Dividend on Equity Shares</b>		
Final Dividend for the year ended March 31, 2022 ₹5 per share (Previous year ₹5 per share) on 2,11,23,73,230 equity shares (Previous year 2,04,17,51,761 equity shares)	1,056.19	1,020.88

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 13. Other Equity (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Cash Dividend on Preference Share declared and paid</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-
<b>Proposed Dividend on Preference Shares</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-

\*- Figure nullified in conversion of ₹ in Crore

Proposed dividend on equity shares are in compliance with relevant section of the Companies Act, 2013 which is subject to approval at the annual general meeting and are not recognised as liability

### 14. Non-Current Borrowings

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Debentures</b>				
15,000 (previous year 15,000) 8.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on April 12, 2030 (refer note (a) below)	1,487.03	1,485.95	-	-
2,520 (previous year 2,520) 9.35% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on July 04, 2026) (refer note (c) below)	251.55	251.46	-	-
16,000 (previous year 16,000) 7.65% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹533.30 crore on October 31, 2025, ₹533.30 crore on October 31, 2026 and ₹533.40 crore on October 30, 2027) (refer note (e) below)	1,589.45	1,587.59	-	-
10,000 (previous year 10,000) 8.22% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹333.30 crore on March 07, 2025, ₹333.30 crore on March 07, 2026 and ₹333.40 crore on March 08, 2027) (refer note (c) below)	1,000.00	1,000.00	-	-
13,000 (previous year 13,000) 8.24% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹433.30 crore on November 29, 2024, ₹433.30 crore on November 29, 2025 and ₹433.40 crore on November 27, 2026) (refer note (d) below)	1,300.00	1,300.00	-	-

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
9,000 (previous year 9,000) 6.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on September 11, 2023 (refer note (a) below)	896.01	893.48	-	-
6,000 (previous year 6,000) 7.25% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹500 crore on May 26, 2023 and ₹100 crore on June 01, 2023 (refer note (f) below)	598.15	596.67	-	-
2,000 (previous year 2,000) 9.35% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹100 crore on May 26, 2023 and ₹100 crore on May 27, 2026) (refer note (a) below)	199.10	198.78	-	-
Nil (previous year 200) 10.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemed during current year) (refer note (b) below)	-	-	-	19.94
Nil (previous year 2,800) 7.5% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemed during current year) (refer note (f) below)	-	-	-	280.00
1,647 (previous year 3,293) 10.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at three annual equal instalments commencing from March 02, 2021) (refer note (a) below)	-	164.66	164.66	164.67
10,000 (previous year Nil) 6.25% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at October 18, 2024) (refer note (g) below)	985.90	-	-	-
<b>Foreign currency Bonds</b>				
4.375% Foreign Currency Bond priced at 238 basis points over the 10 years US Treasury Note (unsecured) (refer note (k) (ii))	5,640.68	5,433.56	-	-
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured) (refer note (k) (i))	3,759.40	3,617.74	-	-

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
3.375% Foreign Currency Bond priced at 150 basis points over the 5 years US Treasury Note (unsecured) (refer note (k) (iii))	4,908.91	4,725.26	-	-
4.20% Foreign Currency Bond priced at 376 basis points over the 7 years US Treasury Note (unsecured) (refer note (k) (iv))	5,653.58	5,447.13	-	-
3.10% Foreign Currency Bond priced at 205.50 basis points over the 10 years US Treasury Note (unsecured) (refer note (k) (v))	3,755.69	3,618.50	-	-
3.828% Foreign Currency Bond priced at 255 basis points over the 10.50 years US Treasury Note (unsecured) (refer note (k) (vi))	2,238.96	-	-	-
5% Foreign Currency Bond priced at 315.30 basis points over the 20 years US Treasury Note (unsecured) (refer note (k) (vii))	3,356.91	-	-	-
<b>Preference Shares</b>	115.35	105.83	-	-
Liability Component of Compound Financial Instrument - 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12 (b))				
<b>Term loans</b>				
<b>Foreign currency loans:</b>				
From banks (secured) (refer note (h) and (i))	-	18.94	18.60	56.27
<b>Rupee Loan</b>				
From Financial institutions (unsecured) (refer note (k) (viii))	-	-	-	1.20
Inter Company deposit from a subsidiary (refer note (k) (x))	2,371.52	93.77	-	-
From Bank (Secured) (refer note (j))	336.56	410.80	74.25	61.75
<b>Foreign currency letters of credit</b>				
From bank (unsecured) (refer note (k) (ix))	181.90	-	-	-
	<b>40,626.65</b>	<b>30,950.12</b>	<b>257.51</b>	<b>583.83</b>
<b>The above amount includes</b>				
Secured borrowings	8,643.75	7,908.33	257.51	582.63
Unsecured borrowings	31,982.90	23,041.79	-	1.20
Amount disclosed under the head Current Borrowings (refer note 18)	-	-	(257.51)	(583.83)
	<b>40,626.65</b>	<b>30,950.12</b>	<b>-</b>	<b>-</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

#### Notes:

- a) Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹2,746.80 crore (previous year ₹2,907.54 crore) which are secured by first Pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II project assets.
- b) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ Nil (previous year ₹19.94 crore) which were secured by exclusive mortgage and charge on entire Single Point Mooring (SPM) facilities serving Indian Oil Corporation Limited - Mundra and the first charge over receivables from Indian Oil Corporation Limited. The same has been repaid during financial year 2021-22.
- c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,251.55 crore (previous year ₹1,251.46 crore) which are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Wandh, Mundra Port.
- d) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,300.00 crore (previous year ₹1,300.00 crore) which are secured by first pari-passu charge on specified assets of certain subsidiary companies' and all the immovable and movable project assets of MPT, T-II and CT-II located at Mundra Port.
- e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,589.45 crore (previous year ₹1,587.59 crore) are secured by first pari-passu charge on specified assets of one of the subsidiary company.
- f) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹598.15 crore (previous year ₹876.67 crore) are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Mundra Port.
- g) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹985.90 crore (previous year ₹ Nil) are secured by first Pari-passu charge on specified assets of one of the subsidiary company.
- h) Foreign currency loan aggregating to ₹18.60 crore (previous year ₹56.83 crore) carries interest @ 6 months EURIBOR plus basis point 95. The above loan has final maturity date as on 26<sup>th</sup> April 2022. The loan is secured by exclusive charge on the Dredgers procured under the facility.
- i) Foreign currency loans aggregating to ₹ Nil (previous year ₹18.38 crore) carries interest @ 6 months EURIBOR plus 75 basis point. The loan was secured by exclusive charge on the Cranes purchased under the facility and the same has been repaid during financial year 2021-22.
- j) Rupee term loan amounting to ₹410.81 crore (previous year ₹472.55 crore) crore carrying interest @ Repo Rate plus spread of 1.35%. The loan is repayable in 8 half yearly structured instalment commencing from December 30, 2020. The loan is secured by first ranking pari-passu charge on the movable and immovable assets of MPT, T-II and CT-II, project assets of the Company located at Mundra Port. .
- k) Unsecured Loan
  - (i) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹3,759.40 crore (previous year ₹3,617.74 crore) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.
  - (ii) 10 years Foreign Currency Bond of USD 750 million equivalent to ₹5,640.68 crore (previous year ₹5,433.56 crore) carries interest rate at 4.375% p.a. with bullet repayment in the year 2029.
  - (iii) 5 years Foreign Currency Bond of USD 650 million equivalent to ₹4,908.91 crore (previous year ₹4,725.26 crore) carries interest rate at 3.375% p.a. with bullet repayment in the year 2024.
  - (iv) 7 years Foreign Currency Bond of USD 750 million equivalent to ₹5,653.58 crore (previous year ₹5,447.13 crore) carries interest rate at 4.20% p.a. with bullet repayment in the year 2027.
  - (v) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹3,755.69 crore (previous year ₹3,618.50 crore) carries interest rate at 3.10% p.a. with bullet repayment in the year 2031.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

- (vi) 10.50 years Foreign Currency Bond of USD 300 million equivalent to ₹2,238.96 crore (previous year ₹ Nil) carries interest rate at 3.828% p.a. with bullet repayment in the year 2032
- (vii) 20 years Foreign Currency Bond of USD 450 million equivalent to ₹3,356.91 crore (previous year ₹ Nil) carries interest rate at 5% p.a. with bullet repayment in the year 2041.
- (viii) Rupee Term Loan aggregating to ₹ Nil (previous year ₹1.20 crore) carries interest ranging from 4.56 % p.a. to 7.95 % p.a. and same had been repaid during the current year.
- (ix) Trade credit facilities of ₹181.90 crore (previous year ₹ Nil). The same is repayable on June 10, 2022 unless maturity date of the same is extended/rolled over.
- (x) Inter Company deposit from a subsidiaries aggregating to ₹2,371.52 crore (previous year ₹93.77 crore) carries interest rate at 7.50%.

### 15. Lease Liabilities

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Lease Liabilities (refer note (a) and (b))	128.64	140.42	4.95	3.95
	<b>128.64</b>	<b>140.42</b>	<b>4.95</b>	<b>3.95</b>

#### Note:

- a) Land and Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 15 years to 35 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.
- b) Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows:

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	₹ In Crore
						Present value of minimum lease payments
<b>March 31, 2022</b>						
Minimum Lease Payments	14.82	59.84	143.39	218.05	(84.46)	133.59
Finance charge allocated to future periods	9.87	35.00	39.59	84.46	-	-
Present Value of MLP	4.95	24.84	103.80	133.59	-	133.59
<b>March 31, 2021</b>						
Minimum Lease Payments	12.77	62.32	170.60	245.69	(101.32)	144.37
Finance charge allocated to future periods	8.82	41.30	51.20	101.32	-	-
Present Value of MLP	3.95	21.02	119.40	144.37	-	144.37

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 16. Other financial liabilities

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Derivatives Instruments	-	-	13.95	-
Capital creditors and retention money	0.34	0.51	132.30	107.87
Other payables (including discounts etc)	-	-	505.25	195.37
Unpaid Dividends #	-	-	1.96	1.50
Interest accrued but not due on borrowings	-	-	581.98	585.61
Deposit from Customers	1.51	1.47	30.95	26.57
Financial Guarantees Obligation	11.66	18.26	7.28	5.48
	<b>13.51</b>	<b>20.24</b>	<b>1,273.67</b>	<b>922.40</b>

# Not due for credit to "Investors Education & Protection Fund"

#### 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 Crore				
	Borrowings (including Current Maturities) and Interest accrued but not due	Lease Liabilities	Unpaid Dividend on Equity and Preference Shares	Derivative Contract	Total
<b>April 1, 2020</b>	<b>29,219.15</b>	<b>124.48</b>	<b>1.73</b>	<b>(119.81)</b>	<b>29,225.55</b>
Cash Flows	3,850.12	(1.80)	(0.23)	(20.94)	3,827.15
Foreign Exchange Movement	(786.09)	-	-	-	(786.09)
Other Adjustments	(18.32)	-	-	-	(18.32)
Addition of Lease Obligation	-	21.69	-	-	21.69
Charged to P&L during the period	2,201.15	-	-	125.70	2,326.85
Customers' Bills discounted during the period	(73.24)	-	-	-	(73.24)
<b>March 31, 2021</b>	<b>34,392.77</b>	<b>144.37</b>	<b>1.50</b>	<b>(15.05)</b>	<b>34,523.59</b>
Cash Flows	7,530.90	(19.20)	(1,020.42)	17.16	6,508.44
Foreign Exchange Movement	957.18	-	-	-	957.18
Other Adjustments	18.32	-	-	25.98	44.30
Addition of Lease Obligation	-	34.04	-	-	34.04
Charged to P&L during the period	2,509.36	-	-	(15.70)	2,493.66
Pursuant to Composite Scheme of Arrangement	279.78	(25.62)	-	-	254.16
Dividend recognised during the period	-	-	1,020.88	-	1,020.88
Customers' Bills discounted during the period	(331.57)	-	-	-	(331.57)
<b>March 31, 2022</b>	<b>45,356.74</b>	<b>133.59</b>	<b>1.96</b>	<b>12.39</b>	<b>45,504.68</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 17. Other Liabilities

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Advance from customers (refer note 40)	-	-	716.00	716.01
Deposits from customers	-	-	12.14	12.40
Statutory liability	-	-	55.44	64.45
Unearned Income under land lease/ Infrastructure usage agreements	499.19	561.42	62.24	62.24
Deferred Income on fair valuation of Deposit taken	0.94	1.05	-	-
Deferred Government Grant (refer note (i) below)	0.52	0.61	-	-
Unearned revenue - others	-	-	66.02	66.00
Contract Liabilities (refer note (ii) below)	-	-	144.24	143.07
	<b>500.65</b>	<b>563.08</b>	<b>1,056.08</b>	<b>1,064.17</b>

#### Notes:

i) Movement in Deferred Government Grant

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Opening Balance</b>	0.61	0.71
Amortisation during the year (refer note 22)	(0.09)	(0.10)
<b>Closing Balance</b>	<b>0.52</b>	<b>0.61</b>

ii) 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.

### 18. Current Borrowings

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Short term borrowings from banks (secured) (refer note (a) below)	1,000.00	-
Packing Credit Rupee Loan from bank (unsecured) (refer note (d),(e) and (f) below)	900.00	400.00
Commercial paper (unsecured) (refer note (b) below)	1,782.36	-
Inter Company deposit from a subsidiaries (unsecured) (refer note (c) below and 32)	-	1,333.40
Current maturities of long term borrowings (refer note 14)	257.51	583.83
	<b>3,939.87</b>	<b>2,317.23</b>
Customers' Bill Discounted (unsecured) (refer note (g) below)	208.24	539.81
	<b>4,148.11</b>	<b>2,857.04</b>

#### Notes:

- a) Short Term loan is secured by Second pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port.
- b) Commercial Paper (CP) aggregating ₹1,782.36 crore (previous year ₹ Nil) carried interest rate 4.25% p.a. The CP have maturity period of 3 months.
- c) Short term borrowing from subsidiary ₹ Nil (previous year ₹1,333.40 crore) carries interest rate @ 7.50 % p.a is repayable on demand.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 18. Current Borrowings (Contd...)

- d) Packing Credit rupee Loan aggregating to ₹ Nil (previous year ₹400 crore) linked to 14 day Treasury Bill and same had been repaid during the current year.
- e) Packing Credit rupee Loan aggregating to ₹400 crore (previous year ₹ Nil) linked to 3 month Treasury Bill.
- f) Packing Credit rupee Loan aggregating to ₹500 crore (previous year ₹ Nil) carries interest rate of 4.10% p.a.
- g) Factored receivables of ₹208.24 crore (previous year ₹539.81 crore) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 1 to 12 months period (refer note 5).

### 19. Trade and other payables

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Total outstanding dues of micro enterprises and small enterprises (refer note 35)	6.78	1.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	304.23	214.75
	<b>311.01</b>	<b>216.69</b>
Dues to related parties included in above		
Trade payables (refer note 32)	126.07	66.79

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

Sr. No.	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
			1	MSME	6.78	-	
2	Others	159.45	135.08	7.45	1.99	0.26	304.23
	<b>Total</b>	<b>166.23</b>	<b>135.08</b>	<b>7.45</b>	<b>1.99</b>	<b>0.26</b>	<b>311.01</b>

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

Sr. No.	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
			1	MSME	1.94	-	
2	Others	100.57	105.25	6.17	0.08	2.68	214.75
	<b>Total</b>	<b>102.51</b>	<b>105.25</b>	<b>6.17</b>	<b>0.08</b>	<b>2.68</b>	<b>216.69</b>

### 20. Provisions

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Provision for Employee Benefits</b>				
Provision for Gratuity (refer note 30)	5.47	2.40	-	-
Provision for Compensated Absences	-	-	19.58	16.54
	<b>5.47</b>	<b>2.40</b>	<b>19.58</b>	<b>16.54</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 21. Revenue from Operations

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Revenue from Contract with Customers (refer note (a) below)</b>		
Income from Port Operations (Including Port Infrastructure Services)	3,907.06	4,172.29
	<b>3,907.06</b>	<b>4,172.29</b>
Lease, Upfront Premium and Deferred Infrastructure Income (refer note (b) and (c) below)	239.74	132.15
Income from Export Incentives (Service Export from India Scheme)	-	7.90
Other Operating Income	59.42	64.81
	<b>4,206.22</b>	<b>4,377.15</b>

#### Notes:

a) Reconciliation of revenue recognised with contract price:

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Contract Price	4,150.08	4,411.34
<b>Adjustment for:</b>		
Refund Liabilities	(273.92)	(217.49)
Change in value of Contract Assets	26.56	(24.24)
Change in value of Contract Liabilities	4.34	2.68
<b>Revenue from Contract with Customers</b>	<b>3,907.06</b>	<b>4,172.29</b>

b) The Company has given various assets on finance lease to various parties. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Land leases include a clause to enable upward revision of the rental charge every 3 years upto 20%. The company has also received one-time income of upfront premium ranging from ₹600 to ₹3000 per Sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹145.98 crore (previous year ₹15.46 crore) including upfront premium of ₹108.78 crore (previous year ₹ 9.32 crore) accrued under such lease have been booked as income in the statement of profit and loss.

c) Land given under operating lease:

The Company has given certain land portions on operating lease. Most of the leases are renewable for further period on mutually agreeable terms.

**The total future minimum lease rentals receivable at the Balance Sheet date is as under:**

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
i) Not later than one year	20.15	19.34
ii) Later than one year and not later than five years	85.52	84.07
iii) Later than five years	347.82	369.66

Company has recognised income from operating leases of ₹26.40 crore (previous year ₹20.27 crore)

### 22. Other Income

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Interest Income on		
Bank Deposits, Inter Corporate Deposits, Security Deposit etc.	2,122.02	2,028.24
Customers dues	21.23	30.13
Finance Lease	148.01	135.68
Dividend income on non current Investments	95.85	7.01

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 22. Other Income (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Unclaimed liabilities / excess provision written back	0.16	0.29
Scrap sale	15.33	12.37
Net gain on Sale of Current Investments	0.92	4.62
Profit on Sale of Non current Investments (refer note (4) (m))	63.76	-
Profit on sale / discard of Property, Plant and Equipment (net)	1.35	0.09
Financial Guarantee Income	11.14	3.80
Amortisation of Government Grant (refer note 17 (i))	0.09	0.10
Miscellaneous Income	39.45	43.98
	<b>2,519.31</b>	<b>2,266.31</b>

### 23. Operating Expenses

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Cargo handling / other charges to Contractors (net of reimbursements)	354.04	342.75
Customer Claims (including Expected Credit Loss)	(4.00)	-
Railway Service Charges (refer note 42(a))	-	115.40
Tug and Pilotage Charges	8.72	6.21
Maintenance Dredging	10.62	20.88
Other expenses including Customs Establishment Charges	1.71	0.89
Repairs to Plant & Equipment	91.96	58.21
Stores & Spares consumed	107.92	94.56
Repairs to Buildings	9.33	8.84
Power & Fuel	75.26	85.48
Waterfront Charges	174.42	186.14
Cost of assets transferred under Finance Lease	1.29	0.11
	<b>831.27</b>	<b>919.47</b>

### 24. Employee Benefits Expense

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Salaries, Wages and Bonus	205.45	208.98
Contribution to Provident and Other Funds	9.60	9.68
Gratuity Expenses (refer note 30)	3.49	3.20
Staff Welfare Expenses	19.80	13.15
	<b>238.34</b>	<b>235.01</b>

### 25. Finance Costs

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>a) Interest and Bank Charges</b>		
Interest on		
Debentures and Bonds	1,851.11	1,684.60
Loans, Buyer's Credit etc.	621.42	438.80
Lease Liabilities	9.71	10.51
Bank and other Finance Charges	27.12	67.24
	<b>2,509.36</b>	<b>2,201.15</b>
b) Derivative (Gain)/Loss (net)	(15.70)	125.70
	<b>2,493.66</b>	<b>2,326.85</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 26. Other Expenses

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Rent Expenses	4.22	4.77
Rates and Taxes	33.71	3.27
Insurance	10.27	10.44
Advertisement and Publicity	14.96	4.24
Other Repairs and Maintenance	20.16	17.02
Legal and Professional Expenses	98.41	72.60
Corporate Support Service Fee	37.27	59.43
IT Support Services	21.00	7.55
Payment to Auditors (refer note (a) below)	1.72	1.29
Security Service Charges	18.68	21.35
Communication Expenses	27.77	24.64
Electric Power Expenses	5.81	3.00
Travelling and Conveyance	75.29	48.10
Directors Sitting Fee	0.55	0.38
Commission to Non-executive Directors	1.00	0.94
Charity & Donations (refer note (b) below)	51.89	60.31
Miscellaneous Expenses	10.96	12.46
	<b>433.67</b>	<b>351.79</b>

#### Notes:

##### a) Payment to Auditors

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
As auditor:		
Audit fee	1.03	0.59
Limited review	0.53	0.52
In other capacity:		
Certification fees	0.15	0.10
Other services*	-	1.80
Reimbursement of expenses	0.01	0.03
	<b>1.72</b>	<b>3.04</b>

\* Note- Professional fee of ₹ Nil (previous year ₹1.75 crore) paid for the services rendered in respect of the Bond issued by the Company has been accounted as transaction cost in accordance with Ind AS 109.

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

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

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

- (i) Gross amount required to be spent during the year ₹49.89 crore (previous year ₹56.10 crore)
- (ii) Excess amount to be set off against succeeding three financial years ₹ Nil (previous year ₹16 crore)

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 26. Other Expenses (Contd...)

(iii) Amount spent during the year ended:

Particulars	In cash ₹ In Crore	Yet to be paid in cash	Total ₹ In Crore
<b>March 31, 2022</b>			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	34.29	-	34.29
<b>Total</b>	<b>34.29</b>	<b>-</b>	<b>34.29</b>
<b>March 31, 2021</b>			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	72.99	-	72.99
<b>Total</b>	<b>72.99</b>	<b>-</b>	<b>72.99</b>
(iv) Nature of CSR activities	COVID support- PM CARES Fund, COVID support – CM Relief Fund, Promoting Health Care, Eradicating hunger, poverty and malnutrition, COVID 19 expense, Ensuring environmental sustainability, Promoting Education, Social development and Enhancing vocation skills		

### (v) Detail of related party Transactions

Name	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Contribution / Donation to related party (Refer note 32)	13.98	-

(vi) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year

### 27. Income Tax

The major component of income tax expenses for the year ended March 31, 2022 and March 31, 2021 are as under

#### a) Tax Expense reported in the Statement of Profit and Loss

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Current Income tax</b>		
Current tax charges	287.68	948.74
<b>Deferred Tax</b>		
Relating to origination and reversal of temporary differences	36.49	32.97
<b>Tax Expense reported in the Statement of Profit and Loss</b>	<b>324.17</b>	<b>981.71</b>
<b>Tax on Other Comprehensive Income ('OCI')</b>		
<b>Deferred tax related to items recognised in OCI during the year</b>		
Tax impact on re-measurement loss on defined benefit plans	(1.51)	(1.27)
Tax impact on unrealised gain on FVTOCI Equity Investment	1.53	1.94
	<b>0.02</b>	<b>0.67</b>

#### b) Balance Sheet Section

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Taxes Recoverable (net) (refer note 8)	520.60	364.57
	<b>520.60</b>	<b>364.57</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 27. Income Tax (Contd...)

#### c) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Profit Before Tax</b>	621.73	2,909.64
Tax Rate	34.944%	34.944%
At India's Statutory Income Tax rate	217.26	1,016.74
<b>Tax Effect of:</b>		
Effect due to lower Tax rate	(14.34)	(27.17)
Loss on which Deferred Tax not created*	171.65	-
Expenses not allowable under Tax laws	19.86	27.16
Deduction under chapter VI-A	(38.86)	(23.51)
Indexation on Sale of Non Current Investment	(18.41)	-
Reversal of Tax on Composite scheme of arrangement	(24.54)	-
Adjustment in respect of previous years	14.62	0.69
Other Adjustments	(3.07)	(12.20)
<b>Income tax reported in Statement of Profit and Loss</b>	<b>324.17</b>	<b>981.71</b>
<b>Effective tax rate</b>	<b>52.14%</b>	<b>33.74%</b>

\*The loss has been considered as a Capital Loss for the said transaction in the current year and hence on a prudent basis, DTA has not been recognized.

#### d) Deferred Tax Liability (net)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Deferred Tax (liabilities) / assets in relation to:</b>				
(Liability) on Accelerated depreciation for tax purpose (refer note below)	(800.67)	(823.60)	22.93	(19.58)
Asset on unrealised exchange variation	52.68	36.72	15.96	(10.67)
Assets on Provision for Gratuity and Leave encashment	11.01	7.33	3.68	3.45
(Liability) on Preference Share debt component	(33.34)	(36.68)	3.34	3.05
(Liability) on Deemed Investment	(50.12)	(48.65)	(1.47)	(3.49)
Asset on fair valuation of Inter Corporate Deposit / Corporate / Bank Guarantee	11.30	11.51	(0.21)	6.81
(Liability) on Equity Investment FVTOCI	(38.20)	(36.67)	(1.53)	(1.95)
(Liability) on CSR expense carried forward	-	(5.59)	5.59	(5.59)
Asset on provision for doubtful debt, loans and advances	67.07	69.40	(2.33)	5.43
(Liability) on Lease Receivables	(145.43)	(67.38)	(78.05)	(8.61)
Assets on other adjustments	(2.03)	2.39	(4.42)	(2.49)

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 27. Income Tax (Contd...)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
	(927.73)	(891.22)	(36.51)	(33.64)

#### Note:

Pursuant to Composite Scheme of Arrangement, Company has transferred asset related to Railway Business undertaking. Accordingly deferred tax liability on such assets has been reversed by ₹24.54 crore

#### e) Deferred Tax Assets reflected in the Balance Sheet as follows

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Tax Credit Entitlement under MAT	1,283.37	1,374.45
Less :Deferred tax liabilities (net)	(927.73)	(891.22)
	<b>355.64</b>	<b>483.23</b>

#### f) Reconciliation of Deferred tax liabilities (net)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Tax expenses during the period recognised in Statement of Profit and Loss	36.49	32.97
Tax expenses during the period recognised in OCI	0.02	0.67
	<b>36.51</b>	<b>33.64</b>

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

Financial Year	Amount (₹ in crore)	Expiry Date
2014-15	268.19	2029-30
2015-16	608.26	2030-31
2016-17	406.92	2031-32
<b>Total</b>	<b>1,283.37</b>	

### 28. Earnings Per Share (EPS)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Profit after tax</b>	297.56	1,927.93
Less: Dividends on Non-Cumulative Redeemable Preference Shares	*_	*_
	<b>297.56</b>	<b>1,927.93</b>
* Figures being nullified on conversion to ₹ in Crore.		
	<b>No of Shares</b>	<b>No of Shares</b>
Weighted average number of equity shares in calculating basic and diluted EPS	2,11,18,80,079	2,03,17,51,761
<b>Basic and Diluted Earnings per Share (in ₹)</b>	<b>1.41</b>	<b>9.49</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 29. Below are the ratio as on March 31, 2022 and March 31, 2021

Sr No	Ratio Name	Formula	March 31, 2022	March 31, 2021	% Variance	Reason for variance
1	Current	Current Assets / Current Liabilities	1.29	1.56	-17%	-
2	Debt-Equity	Total Debt / Shareholder's Equity	1.68	1.53	10%	-
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)	1.71	1.86	-8%	-
4	Return on Equity	Net Profit after Taxes / Average Equity Shareholder's Fund	1.23%	9.25%	-87%	Mainly due to Increase in foreign exchange rate and provision for Loan (including Interest accrued) & perpetual debt and reversal of SEIS income as mentioned in exceptional item leads to decrease in Net profit
5	Inventory Turnover		NA			-
6	Trade Receivables Turnover	Revenue from operations / Average Accounts Receivables	4.28	3.35	28%	Mainly due to improved realisation of receivables
7	Trade Payable Turnover	Operating expense & Other expense/Average Trade Payables	4.79	5.85	-18%	-
8	Net Capital Turnover	Revenue from Operation / Average Working Capital	1.74	1.30	34%	Mainly due to improved realisation of trade and other receivables
9	Net Profit	Profit After Tax /Revenue from Operations	7.07%	44.05%	-84%	Mainly due to Increase in foreign exchange rate and provision for Loan (including Interest accrued) & perpetual debt and reversal of SEIS income as mentioned in exceptional item leads to decrease in Net profit
10	Return on Capital Employed	Earnings before Interest, Taxes and exceptional items / Capital Employed (Tangible Networth+Total Debt)	5.26%	9.23%	-43%	Mainly due to Increase in foreign exchange rate which leads to decrease in earning
11	Return on Investment		NA			

### 30. Disclosures as required by Ind AS - 19 Employee Benefits

- a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹9.37 crore (previous year ₹9.25 crore) as expenses under the following defined contribution plan.

₹ in Crore

Contribution to	March 31, 2022	March 31, 2021
Provident Fund	9.31	9.19
Superannuation Fund	0.06	0.06
<b>Total</b>	<b>9.37</b>	<b>9.25</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 30. Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

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

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

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

#### c) Gratuity

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

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the beginning of the year	32.13	27.46
Current service cost	3.32	3.40
Interest cost	2.15	1.79
Re-measurement (or Actuarial) (gain) / loss arising from and including in OCI:		
- change in demographic assumptions	0.20	(0.58)
- change in financial assumptions	4.44	-
- experience variance	(0.32)	2.51
Benefits paid	(1.84)	(1.77)
Liability Transfer In	2.02	0.33
Liability Transfer Out	(5.03)	(1.01)
Present value of the defined benefit obligation at the end of the year	37.07	32.13

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

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Fair value of plan assets at the beginning of the year	29.73	29.82
Investment income	1.99	2.00
Benefits paid	(0.12)	(0.37)
Return on plan assets, excluding amount recognised in net interest expense	-	(1.72)
Fair value of plan assets at the end of the year	31.60	29.73

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

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the end of the year	37.07	32.13
Fair value of plan assets at the end of the year	31.60	29.73
Amount recognised liability (refer note 20)	(5.47)	(2.40)
Net liability - Non Current	(5.47)	(2.40)

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 30. Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

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

₹ in Crore

Particulars	March 31, 2022	March 31, 2021
Current service cost	3.32	3.40
Net Interest on benefit obligation	0.17	(0.20)
Total Expense included in Employee Benefits Expense (refer note 24)	3.49	3.20

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

₹ in Crore

Particulars	March 31, 2022	March 31, 2021
Actuarial (gain)/losses arising from		
- change in demographic assumptions	0.20	(0.58)
- change in financial assumptions	4.44	-
- experience variance	(0.32)	2.51
Return on plan assets, excluding amount recognised in net interest expense	-	1.72
Recognised in the other comprehensive income	4.32	3.65

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

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

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

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

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

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

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

#### (viii) Sensitivity Analysis

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

#### Quantitative sensitivity analysis for significant assumption is as below

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

Particulars	March 31, 2022		March 31, 2021	
	Discount rate		Discount rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
	(2.69)	3.06	(2.03)	2.28

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 30. Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

Particulars	March 31, 2022		March 31, 2021	
	Salary Growth rate		Salary Growth rate	
Assumptions	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Sensitivity level	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
Impact on defined benefit obligations	2.94	(2.64)	2.23	(2.02)

Particulars	March 31, 2022		March 31, 2021	
	Attrition rate		Attrition rate	
Assumptions	50% Increase	50% Decrease	50% Increase	50% Decrease
Sensitivity level	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
Impact on defined benefit obligations	(1.92)	3.03	(0.73)	1.10

Particulars	March 31, 2022		March 31, 2021	
	Mortality rate		Mortality rate	
Assumptions	10% Increase	10% Decrease	10% Increase	10% Decrease
Sensitivity level	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
Impact on defined benefit obligations	(0.01)	0.01	*-	*-

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

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

Particulars	March 31, 2022	March 31, 2021
Weighted average duration (based on discounted cash flows)	8 years	7 years

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

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Within the next 12 months (next annual reporting period)	4.34	6.26
Between 2 and 5 years	13.79	12.32
Between 6 and 10 years	17.18	13.20
Beyond 10 years	34.86	23.26
<b>Total Expected Payments</b>	<b>70.17</b>	<b>55.04</b>

The Company expect to contribute ₹9.40 crore to the gratuity fund in the financial year 2022-23 (previous year ₹5.55 crore).

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

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

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

### 31. Segment Information

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure at contiguous Special Economic Zone at Mundra, as determined by chief operating decision maker, in accordance with Ind-AS 108 "Operating Segments".

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

Considering the inter relationship of various activities of the business, the chief operating 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.

### 32. Related Party Disclosures

#### Related parties where control exists.

Wholly owned Subsidiary Companies	
	Adani Ennore Container Terminal Private Limited
	Adani Hazira Port Limited
	Adani Hospitals Mundra Private Limited
	Adani Logistics Limited
	Adani Vizag Coal Terminal Private Limited
	Adani Warehousing Services Private Limited
	Karnavati Aviation Private Limited
	MPSEZ Utilities Limited (upto December 15, 2021)
	Mundra International Airport Private Limited
	The Dhamra Port Company Limited
	Adani Vizhinjam Port Private Limited
	Adani Ports Technologies Private Limited (formerly known as Mundra International Gateway Terminal Private Limited)
	Madurai Infrastructure Private Limited (formerly known as Mundra LPG Infrastructure Private Limited)
	Adani Kattupalli Port Limited
	Coastal International Terminals Pte Ltd (Formerly known as Adani International Terminals Pte Limited), Singapore
	Adani Kandla Bulk Terminal Private Limited
	Adani Murmugao Port Terminal Private Limited
	Shanti Sagar International Dredging Limited
	Abbot Point Operations Pty Limited, Australia
	The Adani Harbour Services Limited
	Mundra Crude Oil Terminal Private Limited (Formerly known as Adani Bhavanapadu Port Private Limited)
	Adinath Polyfills Private Limited
	Adani Tracks Management Services Private Limited (upto March 31, 2021) (refer note 42 (a))
	Adani Pipelines Private Limited
	Adani Bangladesh Ports Private Limited, Bangladesh
	Adani Mundra Port Holding Pte. Limited, Singapore
	Aqua Desilting Private Limited [incorporated on February 19, 2021]
	HDC Bulk Terminal Limited [incorporated on March 07, 2022]
	Adani International Ports Holdings Pte Limited, Singapore [incorporated on June 16, 2021]
	Adani Gangavaram Port Private Limited [incorporated on July 14, 2021]
	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) [w.e.f June 08, 2021]
	Adani Tracks Management Services Private Limited (formerly known as Sarguja Rail Corridor Private Limited) (wef April 02, 2021) (refer note 42 (a))
	Dighi Port Limited [acquired on February 15, 2021]
Other Companies	Subsidiary
	Dholera Infrastructure Private Limited (Controlling interest)
	Adani Petronet (Dahej) Port Private Limited
	Mundra SEZ Textile And Apparel Park Private Limited
	Marine Infrastructure Developer Private Limited
	Mundra Solar Technopark Private Limited (w.e.f March 30, 2022)
	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) [acquired on October 01, 2020] [upto June 07, 2021]

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

Step down Subsidiaries	
	Hazira Infrastructure Limited
	Dholera Port and Special Economic Zone Limited (Controlling Interest)
	Dhamra Infrastructure Private Limited
	Abbot Point BulkCoal Pty Limited, Australia
	Blue Star Realtors Limited (formerly known as Blue Star Realtors Private Limited)
	Adani Mundra Port Pte. Limited, Singapore
	Bowen Rail Operations Pte Limited, Singapore, (upto July 14, 2021)
	Bowen Rail Company Pty Limited, Australia, (upto July 14, 2021)
	Dermot Infracon Private Limited
	Adani Abbot Port Pte. Limited, Singapore
	Adani Logistics Services Private Limited (formerly known as Innovative B2B Logistics Solutions Private Limited)
	Adani Forwarding Agent Private Limited
	Adani Noble Private Limited
	Adani Cargo Logistics Limited (formerly known as Adani Cargo Logistics Private Limited)
	Adani Logistics Infrastructure Private Limited
	Adani Yangon International Terminal Company Limited, Myanmar
	Adani Agri Logistics (Samastipur) Limited
	Adani Agri Logistics (Darbhanga) Limited
	Adani Agri Logistics (Dahod) Limited
	Adani Agri Logistics Limited
	Adani Agri Logistics (MP) Limited
	Adani Agri Logistics (Dewas) Limited
	Adani Agri Logistics (Harda) Limited
	Adani Agri Logistics (Hoshangabad) Limited
	Adani Agri Logistics (Satna) Limited
	Adani Agri Logistics (Ujjain) Limited
	Adani Agri Logistics (Panipat) Limited
	Adani Agri Logistics (Kannauj) Limited
	Adani Agri Logistics (Katihar) Limited
	Adani Agri Logistics (Kotkapura) Limited
	Adani Agri Logistics (Mansa) Limited
	Adani Agri Logistics (Bathinda) Limited
	Adani Agri Logistics (Moga) Limited
	Adani Agri Logistics (Barnala) Limited
	Adani Agri Logistics (Nakodar) Limited
	Adani Agri Logistics (Raman) Limited
	Adani Agri Logistics (Dhamora) Limited
	AYN Logistics Infra Private Limited
	Adani Logistics International Pte Limited, Singapore [incorporated on July 13, 2020]
	Adani Krishnapatnam Container Terminal Private Limited (formerly known as Navayuga Container Terminal Private Limited) [acquired on October 01, 2020]
	Seabird Distriparks (Krishnapatnam) Private Limited
	Adani Warehousing Limited (formerly known Adani Agri Logistics (Borivali) Limited)
	Adani KP Agriwarehousing Private Limited (Formerly known as KP Agriwarehousing Company Private Limited) [acquired on October 01, 2020] [upto December 31, 2021]
	Shankheshwar Buildwell Private Limited [acquired on March 30, 2021]
	Sulochana Pedestal Private Limited [acquired on March 31, 2021]
	Colombo West International Terminal (Private) Limited
	NRC Limited [acquired on March 31, 2021]

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

<b>Other related parties with whom transaction have been taken place during the year</b>		
<b>Joint Venture Entities</b>	Adani CMA Mundra Terminal Private Limited	
	Adani International Container Terminal Private Limited	
	Adani NYK Auto Logistics Solutions Private Limited	
	Dhamra LNG Terminal Private Limited	
	Adani Total Private Limited (formerly known as Adani Petroleum Terminal Private Limited)	
	Adani KP Agriwarehousing Private Limited (Formerly known as KP Agriwarehousing Company Private Limited) [w.e.f January 01, 2022]	
<b>Key Managerial Personnel and their relatives</b>	Mr. Gautam S. Adani - Chairman and Managing Director	
	Mr. Rajesh S. Adani - Director	
	Mr. Karan G. Adani - Whole-time Director & Chief Executive Officer	
	Dr. Malay Mahadevia - Wholetime Director (upto May 31, 2021), Director (w.e.f June 01, 2021)	
	Prof. G. Raghuram - Independent Non-Executive Director	
	Mr. Gopal Krishna Pillai - Independent Non-Executive Director	
	Mr. Mukesh Kumar - Nominee Director (upto May 22, 2020)	
	Mrs. Nirupama Rao - Independent Non-Executive Director	
	Mr. Bharat Sheth - Independent Non-Executive Director	
	Mr. Palamadai Sundararajan Jayakumar - Independent Non-Executive Director (w.e.f July 23, 2020)	
	Mrs. Avantika Singh Aulakh IAS, Nominee Director (w.e.f September 15, 2020)	
	Mr. Deepak Maheshwari - Chief Financial Officer (upto May 05, 2021)	
	Mr. Kamlesh Bhagia - Company Secretary	
	<b>Entities over which (i) Key Management Personnel and their relatives &amp; (ii) entities having significant influence over the Company have control or are under significant influence through voting powers</b>	Adani Foundation
		Adani Properties Private Limited
Delhi Golf Link Properties Private Limited		
Adani Infrastructure and Developers Private Limited		
Adani Infrastructure Management Services Limited		
Adani Renewable Energy (KA) Limited		
Udupi Power Corporation Limited		
Adani Mundra SEZ Infrastructure Private Limited		
Adani Township And Real Estate Company Private Limited		
Adani Bunkering Private Limited		
Adani Enterprises Limited		
Mundra Solar PV Limited		
Adani Cementation Limited		
Adani Road Transport Limited		
Adani Finserve Private Limited		
Mundra Solar Technopark Private Limited (upto March 29, 2022)		
Adani Green Energy Limited		
Adani Total Gas Limited		
Adani Global F.Z.E., Dubai		
Adani Estate Management Private Limited		
Adani Infra (India) Limited		
Belvedere Golf and Country Club Private Limited		
Sunanda Agri Trade Private Limited		
Adani Skill Development Center		
Shantigram Utility Services Private Limited		
Mundra LPG Terminal Private Limited		
Adani Dhamra LPG Terminal Private Limited		
Adani Power (Mundra) Limited		
Adani Power Maharashtra Limited		

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

<b>Entities over which (i) Key Management Personnel and their relatives &amp; (ii) entities having significant influence over the Company have control or are under significant influence through voting powers</b>	Adani Power Limited
	Adani Power Rajasthan Limited
	Adani Wilmar Limited
	MPSEZ Utilities Limited (w.e.f December 16, 2021)
	Ahmedabad International Airport Limited (formerly known as Adani Ahmedabad International Airport Limited)
	Maharashtra Eastern Grid Power Transmission Company Limited
	Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)
	Adani Airport Holding Limited
	Adani Agri Fresh Limited
	Jash Energy Private Limited
	Mundra Petrochem Limited
	Adani Electricity Mumbai Limited
	Raipur Energen Limited
	Raigarh Energy Generation Limited
	Adani Rail Infra Private Limited
	Adani Transmission Limited
	Adani Connex Private Limited
	Navi Mumbai International Airport Limited
	Adani Institute for Education and Research
	Mangaluru International Airport Limited
	Vishakha Solar Films Private Limited
	Vishakha Renewables Private Limited
	TRV (Kerala) International Airport Private Limited
	Jaipur International Airport Limited
	Mundra WindTech Limited
	Kutch Copper Limited
	Adani Solar USA Inc, USA

#### Terms and conditions of transactions with related parties

- (i) Outstanding balances of related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Company has not recorded any impairment of receivables relating to amounts owed by related parties except provision made for loans (including Interest accrued) and Perpetual debt given to a subsidiaries of ₹696.25 crore. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (ii) All Rupee loans are given on interest bearing within the range of 6.25 % p.a. to 7.50 % p.a. except loan to Dholera Infrastructure Private Limited, Dholera Port & Special Economic Zone Limited, Karnavati Aviation Private Limited, Adani Hospitals Mundra Private Limited, Mundra International Airport Private Limited and Abbot Point Operations Pty Limited whereby loan transaction aggregating to ₹99 crore (previous year ₹154.14 crore) are interest free.

#### Notes:

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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

#### (A) Transactions with Related Parties

₹ in Crore

Sr No	Particulars	For the Year Ended	With Subsidiaries	With Joint Ventures	With Other Entities #	Key Managerial Personnel and their relatives
1	Income from Port Services / Other Operating Income	<b>March 31, 2022</b>	72.69	661.35	374.88	-
		March 31, 2021	85.65	554.40	651.88	-
2	Lease & Infrastructure Usage Income/ Upfront Premium (Includes Reversal)	<b>March 31, 2022</b>	57.62	12.92	102.06	-
		March 31, 2021	37.20	12.38	96.66	-
3	Sale of Non Financial Asset	<b>March 31, 2022</b>	-	-	-	-
		March 31, 2021	-	-	156.12	-
4	Interest Income on loans/ deposits/deferred accounts receivable	<b>March 31, 2022</b>	855.43	45.84	40.13	-
		March 31, 2021	900.01	88.19	64.32	-
5	Interest Expenses	<b>March 31, 2022</b>	91.85	-	23.76	-
		March 31, 2021	111.80	-	-	-
6	Purchase of Spares and consumables, Power & Fuel	<b>March 31, 2022</b>	44.13	0.10	16.47	-
		March 31, 2021	55.89	0.37	11.57	-
7	Recovery of expenses (Reimbursement)	<b>March 31, 2022</b>	13.75	40.75	-	-
		March 31, 2021	0.21	50.08	-	-
8	Services Availed (including reimbursement of expenses)	<b>March 31, 2022</b>	219.05	3.29	64.61	-
		March 31, 2021	100.14	5.92	121.14	-
9	Rent charges paid	<b>March 31, 2022</b>	0.13	-	14.34	-
		March 31, 2021	0.04	-	12.04	-
10	Sales of Scrap and other Miscellaneous Income	<b>March 31, 2022</b>	30.30	1.84	50.91	-
		March 31, 2021	19.41	4.24	46.34	-
11	Loans Given	<b>March 31, 2022</b>	7,762.64	-	-	-
		March 31, 2021	5,374.53	-	-	-
12	Loans Received back	<b>March 31, 2022</b>	8,291.57	294.45	-	-
		March 31, 2021	5,980.44	496.68	1.85	-
13	Loan taken	<b>March 31, 2022</b>	6,192.33	-	-	-
		March 31, 2021	11,079.38	-	-	-
14	Loan Repaid	<b>March 31, 2022</b>	5,247.98	-	279.81	-
		March 31, 2021	10,360.21	-	-	-
15	Advance / Deposit given	<b>March 31, 2022</b>	-	-	32.83	-
		March 31, 2021	-	-	42.95	-
16	Advance / Deposit Received back	<b>March 31, 2022</b>	-	-	246.31	-
		March 31, 2021	-	-	145.75	-
17	Share Application Money Paid / Investment	<b>March 31, 2022</b>	0.15	-	-	-
		March 31, 2021	697.04	-	-	-
18	Assignment of Financial Assets	<b>March 31, 2022</b>	-	-	-	-
		March 31, 2021	200.00	-	-	-
19	Sale of Investment	<b>March 31, 2022</b>	-	-	116.27	-
		March 31, 2021	-	-	-	-

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

₹ in Crore

Sr No	Particulars	For the Year Ended	With Subsidiaries	With Joint Ventures	With Other Entities #	Key Managerial Personnel and their relatives
20	Donation	<b>March 31, 2022</b>	-	-	13.98	-
		March 31, 2021	-	-	1.00	-
21	Purchase of Property / Assets /Land use rights	<b>March 31, 2022</b>	5.30	-	25.99	-
		March 31, 2021	19.88	2.02	17.00	-
22	Sale of Assets	<b>March 31, 2022</b>	53.12	-	-	-
		March 31, 2021	0.16	2.19	-	-
23	Investment in perpetual debt / Non Convertible Redeemable Debentures	<b>March 31, 2022</b>	2,577.36	-	-	-
		March 31, 2021	-	-	-	-
24	Redemption of perpetual debt	<b>March 31, 2022</b>	-	-	-	-
		March 31, 2021	630.00	-	-	-
25	Conversion of Loan to Perpetual Debt	<b>March 31, 2022</b>	1,708.30	-	-	-
		March 31, 2021	750.00	-	-	-
26	<b>Remuneration *</b>					
	Short-term employee benefits	<b>March 31, 2022</b>	-	-	-	9.69
		March 31, 2021	-	-	-	21.09
	Other long-term benefits	<b>March 31, 2022</b>	-	-	-	0.01
		March 31, 2021	-	-	-	0.05
	Post-employment benefits	<b>March 31, 2022</b>	-	-	-	0.65
		March 31, 2021	-	-	-	0.87
27	Commission to Directors	<b>March 31, 2022</b>	-	-	-	2.80
		March 31, 2021	-	-	-	1.00
28	Commission to Non-Executive Directors	<b>March 31, 2022</b>	-	-	-	1.00
		March 31, 2021	-	-	-	0.94
29	Sitting Fees	<b>March 31, 2022</b>	-	-	-	0.55
		March 31, 2021	-	-	-	0.38
30	Sale Consideration received against Composite scheme of arrangement	<b>March 31, 2022</b>	188.70	-	-	-
		March 31, 2021	-	-	-	-
31	Issue of Equity Shares against Composite scheme of arrangement	<b>March 31, 2022</b>	-	-	4,768.22	-
		March 31, 2021	-	-	-	-
32	Corporate Guarantee Given	<b>March 31, 2022</b>	581.97	480.00	-	-
		<b>March 31, 2022</b>	USD 50 Mn	USD 75 Mn		
		March 31, 2021	-	USD 70 Mn	-	-
		March 31, 2021	1,031.51	199.00	-	-

\*The above remuneration does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

#### (B) Balances with Related Parties

₹ in Crore

Sr No	Particulars	As at	With Subsidiaries	With Joint Ventures	With Other Entities #	Key Managerial Personnel and their relatives
1	Trade Receivables (net of bills discounted)	<b>March 31, 2022</b>	180.03	66.12	321.16	-
		March 31, 2021	28.57	59.53	555.52	-
2	Loans (Net of provision)	<b>March 31, 2022</b>	11,598.40	537.85	-	-
		March 31, 2021	13,924.57	819.26	-	-
3	Capital Advances	<b>March 31, 2022</b>	-	-	13.19	-
		March 31, 2021	-	-	13.19	-
4	Trade Payables (including provisions)	<b>March 31, 2022</b>	69.06	0.93	56.08	-
		March 31, 2021	24.71	2.36	39.72	-
5	Advances and Deposits from Customer/ Sale of Assets	<b>March 31, 2022</b>	-	0.54	7.88	-
		March 31, 2021	0.18	0.54	12.69	-
6	Other Financial & Non-Financial Assets	<b>March 31, 2022</b>	495.04	60.78	466.30	-
		March 31, 2021	460.60	69.14	720.67	-
7	Borrowings	<b>March 31, 2022</b>	2,371.52	-	-	-
		March 31, 2021	1,427.17	-	-	-
8	Other Financial & Non-Financial Liabilities	<b>March 31, 2022</b>	290.99	-	12.44	-
		March 31, 2021	91.90	-	1.57	-
9	Corporate Guarantee	<b>March 31, 2022</b>	USD 39.05 Mn	USD 315.08 Mn	-	-
		<b>March 31, 2022</b>	EUR 58.03 Mn	-	-	-
		<b>March 31, 2022</b>	1,483.80	564.48	-	-
		March 31, 2021	USD 18.46 Mn	USD 190.91 Mn	-	-
		March 31, 2021	EUR 67.70 Mn	-	-	-
		March 31, 2021	1,686.16	159.26	-	-

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

#### Notes:

- The Company has allowed some of its subsidiaries, joint ventures and other group company to avail non fund based facilities out of its credit facilities. The aggregate of such transaction amounts to ₹566.92 crore (previous year ₹868.67 crore) is not disclosed in above schedule.
- Pass through transactions/payable relating to railway freight, water front charges and other payable to third parties have not been considered for the purpose of related party disclosure.
- The Loans and ICDs of ₹208 crores as at the balance sheet date and those given subsequently (Refer note 3 to the Statement of Cashflows) are guaranteed by Adani Properties Private Limited, a promoter group company and a related party.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

33 a) The Company takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives		Purpose
	As at March 31, 2022	As at March 31, 2021	
Forward Contract	USD 23 Million	-	Hedging of expected future billing based on foreign currency denominated tariff
	USD 25 Million	USD 9 Million	Hedging of foreign currency interest liability
	-	USD 40Million	Hedging of foreign currency borrowing principal liability of USD against JPY

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

Nature	As at March 31, 2022		As at March 31, 2021	
	Amount	Foreign Currency	Amount	Foreign Currency
	(₹ In Crore)	(in Million)	(₹ In Crore)	(in Million)
Foreign Currency Loan	18.61	EUR 2.21	75.21	EUR 8.77
Foreign Currency Bond	29,559.08	USD 3900	23,029.65	USD 3150
Buyer's Credit	181.90	USD 24	-	-
Trade Payables and Other Current Liabilities	49.74	USD 6.56	21.00	USD 2.87
	1.41	EUR 0.17	5.06	EUR 0.59
	0.13	SGD 0.02	0.13	SGD 0.02
	*	AUD *	0.09	AUD 0.02
	-	-	*	GBP *
Interest accrued but not due	28.79	USD 3.80	102.82	USD 14.06
	0.03	EUR *	0.18	EUR 0.02
Trade Receivable	-	-	0.52	USD 0.07
	-	-	0.02	EUR *
Other Receivable	148.72	USD 19.62	68.72	USD 9.40
	0.02	EUR *	-	-
Loan given	45.39	AUD 8	86.34	AUD 15.50
	-	-	9.58	BDT 110.95
	1,905.07	USD 251.35	1,657.07	USD 226.65

\* Figures being nullified on conversion to ₹ in Crore and foreign currency in million

Closing rates as at :	March 31, 2022	March 31, 2021
INR / USD	75.79	73.11
INR / EUR	84.22	85.75
INR / GBP	99.46	100.75
INR / JPY	0.62	0.66
INR / AUD	56.74	55.70
INR / SGD	55.97	54.35
INR / BDT	0.88	0.86

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 34. Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

#### 34.1 Category-wise Classification of Financial Instruments:

₹ in Crore

Particulars	Refer Note	As at March 31, 2022			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	4,828.04	4,828.04
Bank balances other than cash and cash equivalents	11	-	-	3,333.70	3,333.70
Investments in Equity Shares (other than investment in subsidiaries, joint ventures and associates)	4	275.10	-	-	275.10
Investment in Special Infrastructure Investment Scheme of ASSIS	4	-	1,129.49	-	1,129.49
Trade Receivables (including bills discounted)	5	-	-	1,082.13	1,082.13
Loans	6	-	-	12,342.67	12,342.67
Derivatives instruments	7	-	1.56	-	1.56
Other Financial Assets	7	-	-	4,507.88	4,507.88
<b>Total</b>		<b>275.10</b>	<b>1,131.05</b>	<b>26,094.42</b>	<b>27,500.57</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted and current maturities)	14 & 18	-	-	44,774.76	44,774.76
Trade Payables	19	-	-	311.01	311.01
Derivatives instruments	16	-	13.95	-	13.95
Lease Liabilities	15	-	-	133.59	133.59
Other Financial Liabilities	16	-	-	1,273.23	1,273.23
<b>Total</b>		<b>-</b>	<b>13.95</b>	<b>46,492.59</b>	<b>46,506.54</b>

₹ in Crore

Particulars	Refer Note	As at March 31, 2021			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	3,310.74	3,310.74
Bank balances other than cash and cash equivalents	11	-	-	234.51	234.51
Investments in unquoted Equity Shares (other than investment in subsidiaries and joint ventures)	4	263.54	-	-	263.54
Investments in unquoted Pass Through Certificates	10	-	-	926.02	926.02
Trade Receivables (including bills discounted)	5	-	-	1,632.42	1,632.42
Loans	6	-	-	15,370.94	15,370.94
Derivatives instruments	7	-	15.05	-	15.05

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 34. Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

₹ in Crore

Particulars	Refer Note	As at March 31, 2021			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Other Financial Assets	7	-	-	3,591.70	3,591.70
<b>Total</b>		<b>263.54</b>	<b>15.05</b>	<b>25,066.33</b>	<b>25,344.92</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted and current maturities)	14 & 18	-	-	33,807.16	33,807.16
Trade Payables	19	-	-	216.69	216.69
Lease Liabilities	15	-	-	144.37	144.37
Other Financial Liabilities	16	-	-	942.64	942.64
<b>Total</b>		<b>-</b>	<b>-</b>	<b>35,110.86</b>	<b>35,110.86</b>

#### Note:

Group Company investment amounting to ₹34,967.11 crore (previous year ₹20,505.34 crore) are measured at cost hence not included in above tables.

#### 34.2 Fair Value Measurements:

##### a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities

₹ in Crore

Particulars	As at March 31, 2022			As at March 31, 2021		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
<b>Financial Assets</b>						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4)	-	275.10	275.10	-	263.54	263.54
Investment in Infrastructure Investment Fund (refer note 4)	1,129.49	-	1,129.49	-	-	-
Derivatives instruments (refer note 7)	1.56	-	1.56	15.05	-	15.05
<b>Financial Liabilities</b>						
Derivatives instruments (refer note 16)	0.19	13.76	13.95	-	-	-
<b>Total</b>	<b>1,131.24</b>	<b>288.86</b>	<b>1,420.10</b>	<b>15.05</b>	<b>263.54</b>	<b>278.59</b>

Derivative instruments are valued based on observable inputs i.e. yield curves, FX rates and volatilities etc.

The company has entered into call option agreement for an equity investment, whereby the company has agreed to grant the buyer an option to purchase the underlying equity investment, the fair value of such call option as at March 31, 2022 is ₹13.76 crore. The fair value is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the spot price, expected price volatility and the risk-free interest rate for the term of the option. The critical inputs for options granted are : (i) Expected price volatility : 36 % (ii) Risk-free interest rate: 5.60 % (iii) Intrinsic value : Nil

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 34. Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

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

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

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF Method	Weighted Average Cost of Capital (WACC)	March 31, 2022 : 13.18% March 31, 2021 : 11.79% - 18.50% (15.15%)	1% increase would result in decrease in fair value by ₹2.25 crore as of March 31, 2022 (₹4.69 crore as of March 31, 2021)

#### c) Financial Instrument measured at Amortised Cost

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

### 34.3 Financial Risk Management objective and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations and its subsidiaries and joint ventures. The Company's principal financial assets include loans, investment including mutual funds, trade and other receivables, and cash and cash equivalents which is derived from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

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

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

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

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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 34. Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

#### (a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments, short term investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2022 and March 31, 2021. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

#### (i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

##### Interest rate sensitivity

The following paragraph demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2022 would decrease / increase by ₹10.07 crore (previous year ₹4.74 crore). This is mainly attributable to interest rates on variable rate of long term borrowings. The same has been calculated based on risk exposure outstanding as on balance sheet date. The year end balances are not necessarily representative of average debt outstanding during the year.

#### (ii) Foreign currency risk

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

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

The Company's forex revenues provide a natural hedge to its forex debt, derisking it against currency movements.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 34. Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

₹ in Crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>USD Sensitivity</b>				
RUPEES / USD – Increase by 1%	(277.66)	(214.27)	(277.66)	(214.27)
RUPEES / USD – Decrease by 1%	277.66	214.27	277.66	214.27
<b>EURO Sensitivity</b>				
RUPEES / EURO – Increase by 1%	(0.01)	(0.05)	(0.01)	(0.05)
RUPEES / EURO – Decrease by 1%	0.01	0.05	0.01	0.05
<b>SGD Sensitivity</b>				
RUPEES / SGD – Increase by 1%	*	*	*	*
RUPEES / SGD – Decrease by 1%	*	*	*	*
<b>AUD Sensitivity</b>				
RUPEES / AUD – Increase by 1%	0.45	0.86	0.45	0.86
RUPEES / AUD – Decrease by 1%	(0.45)	(0.86)	(0.45)	(0.86)
<b>BDT Sensitivity</b>				
RUPEES / BDT – Increase by 1%	-	0.10	-	0.10
RUPEES / BDT – Decrease by 1%	-	(0.10)	-	(0.10)
<b>GBP Sensitivity</b>				
RUPEES / GBP – Increase by 1%	-	*	-	*
RUPEES / GBP – Decrease by 1%	-	*	-	*

\* Figures being nullified on conversion to ₹ in Crore

#### (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

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 34. Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

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 Management of the Company on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. 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 Finance Committee of 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 Management including assessment by external legal expert, and by assessing financial ability of the guarantor.

Corporate Guarantees given to banks and financial institutions against credit facilities availed by the subsidiaries and joint ventures ₹5,221.10 crore (previous year ₹3,956.79 crore)

#### Concentrations of Credit risk form part of Credit risk

Considering that the Company operates the port services and provide related infrastructure services, the Company is significantly dependent on such customers located at Mundra. Out of total income from port operations, the Company earns 49 % revenue (previous year 47 %) from such customers, and with some of these customers, the Company has long term cargo contracts. As at March 31, 2022, receivables from such customer constitute 45% (previous year 41%) of total trade receivables. A loss of these customer could adversely affect the operating result or cash flow of the Company.

#### (c) Liquidity risk

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

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

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

₹ in Crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
<b>As at March 31, 2022</b>						
Borrowings (including bills discounted)	14 & 18	6,538.03	11,764.51	26,665.96	44,968.50	44,774.76
Interest on borrowings	16	2,051.14	6,674.68	4,745.51	13,471.33	581.98
Trade Payables	19	311.01	-	-	311.01	311.01
Lease Liabilities (Including finance charge)	15	14.82	59.84	143.39	218.05	133.59
Other Financial Liabilities	16	691.69	13.05	0.46	705.20	705.20
<b>Total</b>		<b>9,606.69</b>	<b>18,512.08</b>	<b>31,555.32</b>	<b>59,674.09</b>	<b>46,506.54</b>

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 34. Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

₹ in Crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
<b>As at March 31, 2021</b>						
Borrowings (including bills discounted)	14 & 18	2,857.85	9,108.59	22,068.76	34,035.20	33,807.16
Interest on borrowings	16	1,637.43	5,466.50	2,826.62	9,930.55	585.61
Trade Payables	19	216.69	-	-	216.69	216.69
Lease Liabilities (Including finance charge)	15	12.77	62.32	170.60	245.69	144.37
Other Financial Liabilities	16	336.79	17.31	2.93	357.03	357.03
<b>Total</b>		<b>5,061.53</b>	<b>14,654.72</b>	<b>25,068.91</b>	<b>44,785.16</b>	<b>35,110.86</b>

#### Note:

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

#### 34.4 Capital management

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

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

₹ in Crore

Particulars	March 31, 2022	March 31, 2021
Total Borrowings (including bills discounting) (refer note 14 and 18)	44,774.76	33,807.16
Less: Cash and bank balance (refer note 11)	8,161.74	3,545.25
Net Debt (A)	36,613.02	30,261.91
Total Equity (B)	26,582.26	21,801.28
Total Equity and Net Debt (C = A + B)	63,195.28	52,063.19
Gearing ratio (D=A/C)	58%	58%

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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

35. Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2022. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 35. Information required to be furnished as per Section (Contd...)

₹ in Crore

Sr. No	Particulars	₹ in Crore	
		March 31, 2022	March 31, 2021
i)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	6.78	1.94
	Interest	Nil	Nil
ii)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii)	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
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
v)	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 MSMED Act 2006.	Nil	Nil

### 36. Capital Commitments and Other Commitments

#### (i) Capital Commitments

Estimated amount of contract [net of security deposits amounting to ₹1,210.63 crore (previous year ₹683.63 crore) included in note 7 and advances] remaining to be executed on capital account and not provided for ₹4,068.58 crore (previous year ₹2,681.86 crore) pertains to various projects to be executed during the next 5 years.

#### (ii) Other Commitments

a) The port projects of subsidiary companies viz. The Dhamra Port Company Limited ("DPCL"), Adani Vizhinjam Port Private Limited ("AVPPL"), and joint venture Adani International Container Terminal Private Limited ("AICTPL") have been funded through various credit facility agreements with banks. Against the said facilities availed by the aforesaid entities from the banks, the Company has pledged its shareholding in the subsidiary / joint venture companies and executed Non Disposal Undertaking, the details of which is tabulated below:-

The details of shareholding pledged by the Company is as follows :

Particulars	% of Non disposal undertaking (Apart from pledged)		% of Share Pledged of the total shareholding of investee company	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Adani International Container Terminal Private Limited	50.00%	50.00%	-	-
Adani Vizhinjam Port Private Limited	-	70.00%	-	30.00%
The Dhamra Port Company Limited	21.00%	21.00%	30.00%	30.00%

b) Contract/ Commitment for purchase of certain supplies. Advance given ₹ Nil (previous year ₹231.20 crore)

c) The Company has provided a letter of support to few subsidiaries to provide financial support if and when needed to meet its financial obligation.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 37. Contingent Liabilities not provided for

₹ in Crore

Sr. No	Particulars	March 31, 2022	March 31, 2021
a)	Certain facilities availed by the subsidiaries and joint ventures and other group company against credit facilities sanctioned to the Company.	566.92	868.67
b)	Bank Guarantees given to government authorities and banks	280.54	291.54
c)	Civil suits filed by the Customers for recovery of damages against certain performance obligations. The said civil suits are currently pending with various Civil Courts in Gujarat. The management is reasonably confident that no liability will devolve on the Company in this regard and hence no provision is made in the books of accounts towards these suits.	-	0.94
d)	Show cause notices from the Custom Authorities against duty on port related cargo. The Company has given deposit of ₹0.05 crore (previous year ₹0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14	0.14
e)	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeals there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other fixed assets during financial year 2006-07 to 2016-17. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of ₹4.50 crore (previous Year ₹4.50 crore ) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011).	32.63	32.63
f)	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat ₹6.72 crore (previous Year ₹6.72 crore); and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad ₹0.15 crore (previous Year ₹0.15 crore) and Commissioner of Service Tax Ahmedabad ₹0.03 crore (previous Year ₹0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90	6.90

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 37. Contingent Liabilities not provided for (Contd...)

₹ in Crore

Sr. No	Particulars	March 31, 2022	March 31, 2021
g)	Commissioner of Customs, Ahmedabad has vide order no.4/Comm./SIIB/2009 dated November 25, 2009 imposed penalty in connection with import of Air Craft owned by Karnavati Aviation Private Limited (Formerly known as Gujarat Adani Aviation Private Limited), subsidiary of the Company. Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the imposition of penalty, the management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognized in the books of account.	2.00	2.00
h)	The Company's tax assessments is completed till Assessment year 2018-19, Appeals are pending with High Court/Supreme Court for Assessment Year 2008-09 to AY 2010-11, with Appellate Tribunal for Assessment Year 2011-12 to 2016-17 & with CIT for AY 2018-19. Company has received favourable orders on most of the matters for AY 2008-09 to AY 2016-17 from CIT(A)/ITAT/High Court, hence the management is reasonably confident that no liability will devolve on the Company.		

38. The following are the details of loans and advances in the nature of loans given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53 (F) read together with para A of Schedule V of SEBI ( Listing Obligation and Disclosure Regulation, 2015).

₹ in Crore

Sr. No	Particulars	Outstanding amount as at		Maximum amount outstanding during the year	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Adani Logistics Limited	135.93	-	141.13	360.32
2	Adani Kandla Bulk Terminal Private Limited (refer note 4(b) (ii))	816.83	820.76	833.33	1,291.30
3	The Dhamra Port Company Limited	-	865.04	1,086.45	1,561.40
4	Adani Petronet (Dahej) Port Private Limited	-	50.39	52.03	188.93
5	Adani Murmugao Port Terminal Private Limited	427.53	413.43	438.70	424.61
6	Adani Ennore Container Terminal Private Limited	344.01	378.29	397.48	878.29
7	Adani Hazira Port Limited	1,300.00	1,300.00	1,300.00	1,535.00
8	Adani Vizag Coal Terminal Private Limited (refer note 4(b) (i))	280.92	417.61	435.89	417.61
9	Karnavati Aviation Private Limited	36.80	47.68	59.76	71.78
10	Adani Kattupalli Port Limited	-	18.42	21.50	25.22
11	Shanti Sagar International Dredging Limited	-	-	29.68	74.38
12	Mundra SEZ Textile and Apparel Park Private Limited	7.11	29.08	31.81	31.05
13	Adani Vizhinjam Port Private Limited	-	903.48	1,003.59	1,599.82
14	Mundra International Airport Private Limited	2.60	0.55	2.60	3.64

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

38. The following are the details of loans and advances in the nature of loans. (contd.)

₹ in Crore

Sr. No	Particulars	Outstanding amount as at		Maximum amount outstanding during the year	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
15	Adani Hospitals Mundra Private Limited	5.07	0.86	13.34	0.86
16	MPSEZ Utilities Limited (upto December 15, 2021)	-	-	1.23	0.10
17	Adani Total Private Limited	-	68.00	68.00	68.00
18	Adani Warehousing Services Private Limited	12.73	8.80	13.12	10.71
19	Abbot Point Operations Pty Limited	45.39	86.34	86.34	92.15
20	Adani CMA Mundra Container Terminal Private Limited	277.02	267.22	277.02	276.56
21	Adani International Container Terminal Private Limited	260.83	484.05	484.05	987.81
22	Marine Infrastructure Developer Private Limited	189.55	197.56	233.65	528.21
23	Dholera Infrastructure Private Limited	4.91	4.91	4.91	4.91
24	Dholera Port & Special Economic Zone Limited	4.22	4.22	4.22	4.22
25	Adani Dhamra LPG Terminal Private Limited	-	-	-	1.85
26	Adani International Ports Holdings Pte. Limited	116.49	-	116.49	-
27	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited)	5,928.83	6,576.50	7,261.27	6,873.50
28	Adani Bangladesh Ports Private Limited	-	9.58	9.58	10.03
29	Dighi Port Limited	-	704.71	704.71	704.71
30	Adani Mundra Port Holding Pte. Limited	5.04	182.88	187.29	183.08
31	Mundra Crude Oil Terminal Private Limited	160.00	-	188.08	-
32	Sarguja Rail Corridor Private Limited	628.96	-	628.96	-
33	The Adani Harbour Services Limited	45.78	-	1,082.61	-
34	Coastal International Terminals Pte Limited (formerly known as Adani International Terminals Pte Ltd)	1,444.75	1,108.49	1,444.75	1,253.22

### Note

All loans are given on interest bearing except loan to Dholera Infrastructure Private Limited, Dholera Port & Special Economic Zone Limited, Karnavati Aviation Private Limited, Adani Hospitals Mundra Private Limited, Mundra International Airport Private Limited and Abbot Point Operations Pty Limited.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

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

Sr. No	Name of Entities	Relationship	Place of Business	Ownership % March 31, 2022	Ownership % March 31, 2021
1	Adani Logistics Limited	Subsidiary	India	100	100
2	Karnavati Aviation Private Limited	Subsidiary	India	100	100
3	MPSEZ Utilities Limited (refer note 4 (m))	Subsidiary	India	-	100
4	Mundra SEZ Textile and Apparel Park Private Limited	Subsidiary	India	50	50
5	Adani Murmugao Port Terminal Private Limited	Subsidiary	India	100	100
6	Mundra International Airport Private Limited	Subsidiary	India	100	100
7	Adani Hazira Port Limited	Subsidiary	India	100	100
8	Adani Petronet (Dahej) Port Private Limited	Subsidiary	India	74	74
9	Madurai Infrastructure Private Limited (formerly known as Mundra LPG Infrastructure Private Limited)	Subsidiary	India	100	100
10	Adani Vizag Coal Terminal Private Limited	Subsidiary	India	100	100
11	Adani Kandla Bulk Terminal Private Limited	Subsidiary	India	100*	100*
12	Adani Warehousing Services Private Limited	Subsidiary	India	100	100
13	Adani Ennore Container Terminal Private Limited	Subsidiary	India	100	100
14	Adani Hospitals Mundra Private Limited	Subsidiary	India	100	100
15	The Dhamra Port Company Limited	Subsidiary	India	100	100
16	Shanti Sagar International Dredging Limited	Subsidiary	India	100	100
17	Abbot Point Operations Pty Limited	Subsidiary	Australia	100	100
18	Adani Vizhinjam Port Private Limited	Subsidiary	India	100	100
19	Adani Kattupalli Port Limited	Subsidiary	India	100	100
20	The Adani Harbour Services Limited	Subsidiary	India	100	100
21	Adani Ports Technologies Private Limited (formerly known as Mundra International Gateway Terminal Private Limited)	Subsidiary	India	100	100
22	Coastal International Terminals Pte Limited (formerly known as Adani International Terminals Pte Ltd)	Subsidiary	Singapore	100	100
23	Dholera Infrastructure Private Limited	Subsidiary	India	49	49
24	Adinath Polyfills Private Limited	Subsidiary	India	100	100
25	Marine Infrastructure Developer Private Limited	Subsidiary	India	97	97
26	Anchor Port Holding Pte Limited (formerly known as Adani Mundra Port Holding Pte Limited)	Subsidiary	Singapore	100	100
27	Mundra Crude Oil Terminal Private Limited (Formerly known as Adani Bhavanapadu Port Private Limited)	Subsidiary	India	100	100
28	Adani Tracks Management Services Private Limited (refer note 4 (i))	Subsidiary	India	-	100
29	Adani Pipelines Private Limited	Subsidiary	India	100	100

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 39. Disclosure of significant interest in subsidiaries and joint ventures as per Ind AS 27 para 17. (Contd...)

Sr. No	Name of Entities	Relationship	Place of Business	Ownership % March 31, 2022	Ownership % March 31, 2021
30	Adani Bangladesh Ports Private Limited	Subsidiary	Bangladesh	100	100
31	Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) [w.e.f June 08, 2021]	Subsidiary	India	100	75
32	Dighi Port Limited [acquired on February 15, 2021]	Subsidiary	India	100	100
33	Aqua Desilting Private Limited	Subsidiary	India	100	100
34	Adani Gangavaram Port Private Limited	Subsidiary	India	100	-
35	HDC Bulk Terminal Limited	Subsidiary	India	100	-
36	Adani Tracks Management Services Private Limited (formerly known as Sarguja Rail Corridor Private Limited)	Subsidiary	India	100	-
37	Mundra Solar Technopark Private Limited (refer note 4 (P))	Subsidiary	India	11	-
38	Adani International Ports Holdings Pte. Limited	Subsidiary	Singapore	100	-
39	Adani International Container Terminal Private Limited	Joint Ventures	India	50	50
40	Adani CMA Mundra Terminal Private Limited		India	50	50
41	Gangavaram Port Limited	Associate	India	42	-

\* Includes beneficial ownership of 26% of equity interest in aforesaid subsidiary (refer note 4(c))

40. The Company had entered into preliminary agreement dated September 30, 2014 with a party for development and maintenance of Liquefied Natural Gas ("LNG") terminal infrastructure facilities at Mundra ("the LNG Project").

During the year ended March 31, 2020, due to the disputes between the Company and Customer with respect to construction, operation and maintenance of the LNG Project, part of the cost has been capitalised in Property, Plant and Equipment, Interim Settlement and Arbitration Agreement dated December 24, 2019 was executed. Pursuant thereto, ₹666 crore has been received and arbitration has been invoked by the Company. On July 08, 2020, the Company has filed its claim before Arbitral Tribunal. On October 07, 2020, the customer has also filed counter claim before Arbitral Tribunal. Pending further developments, no adjustments has been made till March 31, 2022.

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

42. a) On March 03, 2021, the board of directors have approved the Composite Scheme of Arrangement between the Company and Brahmi Tracks Management Services Private Limited ("Brahmi") and Adani Tracks Management Services Private Limited ("Adani Tracks") and Sarguja Rail Corridor Private Limited ("Sarguja") and their respective shareholders and creditors (the 'Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder ("the Act"). As per order of Hon'ble National Company Law Tribunal ("NCLT"), the NCLT convened meeting of Equity Shareholders, Secured and Unsecured creditors were held on September 20, 2021, wherein, the said Scheme was approved by Equity shareholders, Secured and Unsecured creditors in overwhelming majority. NCLT has approved the scheme vide order dated January 27, 2022 and accordingly the effect of the scheme has been given during current year.

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 42. On March 03, 2021, the board of directors (Contd...)

Consequent to above, Brahmi got amalgamated with the company w.e.f. appointed date April 1, 2021. Further, Mundra rail business ("Divestment Business undertaking") is transferred to Sarguja on Slump sale basis at a consideration of ₹188.65 crore with appointed date April 2, 2021. Accordingly, the company has derecognized the carrying value of assets and liabilities of the divestment business undertaking and recognized the difference between the carrying value and consideration in other equity. Further, transaction costs pertaining to such scheme has been charged off to Profit and Loss on the same date.

Pursuant to the Scheme, the Company has allotted 7,06,21,469 equity shares having face value of ₹2 each at an issue price of ₹675.18 per share to the erstwhile promoters of Brahmi Track Management Services Private Limited.

- b) During the current year, the Company completed acquisition of 41.90% equity stake of Gangavaram Port Limited ("GPL") and has been accounted as an associate entity. On September 22, 2021, the board of directors have approved the Composite Scheme of Arrangement between the Company, Gangavaram Port Limited ("GPL"), Adani Gangavaram Port Private Limited ("AGPPL") and their respective shareholders and creditors (the 'Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder ("the Act") with an appointed date of April 01, 2021. The meeting of Shareholders and creditors was concluded on March 14, 2022 wherein the proposal received consent of majority stakeholders. The said scheme will now be effective upon receipt of final approval from Hon'ble National Company Law Tribunal with an appointed date of April 01, 2021.
43. In line with board guidance and recommendation of risk committee, the Company subsequent to the reporting date, on May 22, 2022, entered into a binding Share Purchase Agreement (SPA) for sale of its investments in Coastal International Pte Limited, which has investments in Myanmar Project. The SPA is signed on a completed project basis, which ensures full recover of its investments, loans given and cost to complete the project. The deal will be concluded after receipt of proceeds, in line with the agreed condition precedents. Management has concluded that the net realizable value is higher than the carrying value.
44. Following are the details of the funds loaned by the Company to Intermediaries for further Loan or investment to the Ultimate beneficiaries

₹ in Crore					
Name of the intermediary to which the funds are advanced	Date on which funds are Loaned to Intermediary	Amount of funds Loaned	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte Ltd (Formerly known as Adani International Terminals Pte Limited)	May 11, 2021	44.08	May 12, 2021	44.06	Adani Yangon International Terminal Company Limited
	July 06, 2021	37.28	July 07, 2021	37.37	
	August 17, 2021	18.58	August 20, 2021	18.61	
	September 27, 2021	10.70	September 27, 2021	10.68	
	October 18, 2021	15.07	October 21, 2021	2.24	
			October 26, 2021	12.77	
	November 15, 2021	29.00	November 17, 2021	29.01	
	November 22, 2021	44.66	November 24, 2021	44.64	
	January 25, 2022	88.97	January 27, 2022	46.61	
			February 03, 2022	7.49	
			February 07, 2022	1.49	
			February 15, 2022	3.03	
			March 4, 2022	25.88	
			March 28, 2022	5.34	

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 44. Following are the details of the funds loaned (Contd...)

₹ in Crore

Name of the intermediary to which the funds are advanced	Date on which funds are Loaned to Intermediary	Amount of funds Loaned	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Adani International Ports Holdings Pte Limited	February 28, 2022	114.59	March 4, 2022	116.47	Colombo West International Terminal (Private) Limited
	March 03, 2022	0.76			

Note : In above figures, USD values are converted in rupee on respective date. There is no unutilised amount for the above transaction. Difference in amount is on account of foreign exchange fluctuation.

### Complete details of the intermediary and Ultimate Beneficiary

Name of the entity	Registered Address	Relationship with the Company
Coastal International Terminals Pte Ltd (Formerly known as Adani International Terminals Pte Limited)	80, Raffles Place#33-20 UOB Plaza, Singapore 048624	Wholly Owned Subsidiary
Adani International Ports Holdings Pte Limited	17, Philip Street, #05-02 Grand Building, Singapore 048695	Wholly Owned Subsidiary
Adani Yangon International Terminal Company Limited	Plot No. 23 G/4 , 23R/ 2A Ahlon Port Compound Ahlon Township, Yangon Myanmar	Stepdown Subsidiary
Colombo West International Terminal (Private) Limited	117, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, Srilanka	Stepdown Subsidiary

45. During the previous year ended on March 31, 2021, Adani Ennore Container Terminal Private Limited ("AECTPL") a wholly owned subsidiary of the Company has received notice from Kamarajar Port Limited ("KPL") relating to delay in completion of a milestone of Phase II, levying liquidated damages of ₹29.60 crore. AECTPL sought for injunction from Hon'ble High Court of Madras and as per its direction, initiated arbitration and deposited ₹10 crore without prejudice and subject to outcome of arbitration and other such remedies available in the concession agreement. The matter is under arbitration and both parties have appointed arbitrators as well as the presiding arbitrator as referred by the Hon'ble High Court of Madras. The management is confident that there should be no such levy and has contested the same attributing the delay in Phase II commencement to reasons beyond control of AECTPL including but not limited to delays in Phase I Project (including Force Majeure events of Cyclone Vardha), delay by the Concessions Authority in appointing an Independent Engineer for Phase II Project, allocation of land, issuance of Phase I completion certificate, etc. Considering above, no provision of the liquidated damages claimed by KPL has been considered necessary at this stage. Both the parties have filed the claim with arbitrators and the matter is currently under arbitration. Further, during current year, AECTPL could not achieve the Minimum Guaranteed tonnage as per concession agreement on account of various force majeure events including reasons attributable to KPL which was also contested as part of ongoing arbitration.
46. Adani Vizhinjam Port Private Limited ("AVPPL"), a wholly owned subsidiary of the Company was awarded Concession Agreement ("CA") dated August 17, 2015 by Government of Kerala for development of Vizhinjam International Deepwater Multipurpose Seaport ("Project"). In terms of the CA the scheduled Commercial Operation Date ("COD") of the Project was December 03, 2019 extendable to August 30, 2020 with certain conditions. As at reporting date, the Project development is still in progress although COD date is past due in terms of CA. In respect of delay in COD, the Company has made several representations to Vizhinjam International Sea Port Limited ("VISL", the Implementing Agency on behalf of the Government) and Department of Ports, Government of Kerala in respect to difficulties faced by the Company including

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 46. Adani Vizhinjam Port Private Limited (Contd...)

reasons attributable to the government authorities and Force Majeure events such as Ockhi Cyclone, High Waves, National Green Tribunal Order and COVID 19 pandemic etc. which led to delay in development of the project and the Company not achieving COD.

Considering the above reasons and authority's rights to terminate the CA on completion of extendable COD, AVPPL issued a Notice of Disputes to Secretary and Principle Secretary of Ports, Government of Kerala under Clause 45.1 of the CA on July 26, 2020 followed by a Notice of Conciliation on August 04, 2020 under Clause 45.2 of the CA. On November 07, 2020, the Company issued a Notice of Arbitration in terms of Clause 45.3 of the CA which led to commencement of the arbitration proceedings through appointment of the nominee arbitrator on behalf of the Authorities and presiding arbitrator respectively in the matter w.e.f. February 05, 2021 and February 25, 2021 respectively.

As at March 31, 2022 the arbitration proceedings is continuing and AVPPL and the Government of Kerala have filed their respective statement of claims along with supporting affidavits before the arbitral tribunal on June 04, 2021 and August 19, 2021. On September 17, 2021, the AVPPL has also filed its reply to the counter claim filed by the Government of Kerala. The first three procedural hearing on the arbitration matters held on March 13, 2021, October 06, 2021 and November 19, 2021 wherein terms of arbitration, finalisation of summary of disputes, schedule of trial hearings and course of action has been discussed and agreed between the parties. Subsequent to year end the AVPPL has filed affidavits of witnesses on April 25, 2022 and is in the process of filling additional affidavits of Witnesses as on reporting date. Also, as per the Communication from the Arbitral Tribunal trial hearings of Witnesses are re-scheduled in July 2022 and the matter is presently sub judice.

Pending resolution of disputes with the VISL, authorities and arbitration proceedings still in progress, the Government Authorities continue to have right to take certain adverse action including termination of the Concession Agreement and levying liquidated damages at a rate of 0.1% of the amount of performance security for each day of delay in project completion in terms of the CA.

The management represents that the project development is in progress with revised timelines which has to be agreed with authorities. The Company's management represents that it is committed to develop the project and has tied up additional equity and debt funds and also received extension in validity of the environmental clearance from the Government for completion of the Project. Based on the above developments and on the basis of favorable legal opinion from the external legal counsel in respect of likely outcome of the arbitration proceedings, the management believes it is not likely to have significant financial impact on account of the disputes which are required to be considered for the purpose of these financial statements.

47. In compliance with Ministry of Corporate Affairs notification w.r.t. to amendment in Schedule III to the Companies Act, 2013 effective from April 01, 2021, figures for comparative previous periods have been regrouped/ reclassified, wherever necessary.

48. Based on information available with the Company, balances with Struck off Companies are as below:-

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2022 ₹ in Crore	Relationship with the struck off company, if any, to be disclosed
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
V I Furnishings Private Limited	Payable	0.02	Vendor
Cream Packs Private Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in Crore

## Notes to the standalone Financial Statements

for the year ended March 31, 2022

### 48. Based on information available (Contd...)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2021 ₹ in Crore	Relationship with the struck off company, if any, to be disclosed
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
Cream Packs Private Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in Crore

### 49. Statutory Information:-

- (i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (ii) 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.

### 50. Standards issued but not effective

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

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

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

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

### 51. Event occurred after the Balance Sheet Date

- i) The Board of Directors of the Company has recommended Equity dividend of ₹5 per equity share (previous year ₹5) on 2,11,23,73,230 equity shares.
- ii) For binding share purchase agreement entered on May 22, 2022 refer note 43.

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

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Karan Adani**  
Wholtime Director and CEO  
DIN: 03088095

**Kamlesh Bhagia**  
Company Secretary

**Date : May 24, 2022**

## Independent Auditor's Report

To  
The Members of  
**Adani Ports and Special Economic Zone Limited**

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

#### Opinion

We have audited the accompanying Consolidated Financial Statements of **Adani Ports and Special Economic Zone Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of subsidiaries, its associates and joint ventures referred to in the Other Matters section below, the aforesaid Consolidated 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 consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with

the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements

#### Emphasis of Matter

We draw attention to:

- (i) Note 45 to the Consolidated Financial Statements, which describes the matter relating to delay in achievement of scheduled commercial operation date ("COD" i.e. December 03, 2019) of the development of international deep-water multipurpose seaport being constructed by Adani Vizhinjam Port Private Limited ("AVPPL") at Vizhinjam, Kerala (the "Project"), as stipulated under the relevant concession agreement ("Agreement") and matter subject to arbitration proceedings thereof, initiated by AVPPL, to resolve disputes with the Government authorities relating to various matters pertaining to development of project which the Group represents led to delay in achieving scheduled COD, as at reporting date.

Our report is not modified in respect of these matters.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. This matter was addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

## Business Combinations — Sarguja Rail Scheme — [Refer to Note 38 to the Consolidated Financial Statements]

### Key Audit Matter Description

During the current financial year, the Group has acquired business of Sarguja Rail Corridor for a consideration of ₹4,768.22 Crores. The Group accounted the acquisitions under the acquisition method of accounting for business combinations. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their fair values on their respective acquisition dates.

The determination of such fair values for the purpose of purchase price allocation was considered to be a key focus area of our audit as the fair valuation process involves judgments and estimates such as appropriateness of the valuation methodology applied and the discount rates applied to future cash flow forecasts.

### How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to the reasonability of the fair values assigned to assets acquired and liabilities assumed included the following :

- We tested the Design, Implementation and Operating effectiveness of controls over the purchase price allocation process
- With the assistance of our fair value specialists, we evaluated (1) the appropriateness of the valuation methodologies for identified intangibles and (2) reasonableness of the key valuation assumptions viz. discount rate / contributory asset charge, as applicable including testing the source information underlying the determination of the discount rate, and developing a range of independent estimates and comparing those to the discount rate selected by independent valuers and relied upon by the management.
- We evaluated the competencies, capabilities and objectivity of the independent valuers engaged by the Company's management for value analysis of tangible and intangible assets.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report of even date and annexures thereof and Management Discussion and Analysis in the Annual Report, but does not include the Consolidated Financial Statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, its associates and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to subsidiaries, its associates and joint ventures is traced from their financial statements audited by the other auditors.
- 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 Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies

included in the Group and of its associates and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its associates and joint ventures 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 Consolidated 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 Group, its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matter. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

(a) We did not audit the financial statements of 72 subsidiaries, whose financial statements reflect total assets of ₹33,653.29 crores as at March 31, 2022, total revenues of ₹7,385.14 crores and net cash inflows amounting to ₹3,257.80 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of ₹255.63 crores for the year ended March 31, 2022, as considered in the Consolidated Financial Statements, in respect of three joint ventures and two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹0.05 crores as at March 31, 2022, total revenues of ₹Nil and net cash inflows amounting to ₹0.05 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of ₹ Nil for year ended March 31, 2022, as considered in the Consolidated Financial Statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of subsidiaries, associates and joint ventures referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash and the Consolidated

Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associates and joint venture companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, associates and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies, associate companies and joint venture companies incorporated in India, the remuneration paid by the Parent and subsidiary companies, to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures;
  - ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for
- material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent, its subsidiary companies, associate companies and joint venture companies incorporated in India.
- iv) (a) The respective Managements of the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the note 4(b)(v) and note 52 to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, associates and joint ventures to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the note 52 to the Consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries, associates and joint ventures from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, associates and joint ventures shall, directly or indirectly,

lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent, and subsidiary which are companies incorporated in India, whose financial statement has been audited under the Act, where applicable, during the year is in accordance with section

123 of the Act, as applicable.

The Board of Directors of the Parent and a subsidiary have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiary at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the Consolidated Financial Statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Adani Ports and Special Economic Zone Limited	L63090GJ1998PLC034182	Parent	Clause (iii) (C) ; (iii) (d)
The Adani Harbour Services Limited	U61100GJ2009FLC095953	Subsidiary	Clause iii(c)
Adani Hazira Port Limited	U45209GJ2009PLC058789	Subsidiary	Clause iii(c)
Adani Murmugao Port Terminal Private Limited	U61100GJ2009PTC057727	Subsidiary	Clause (ix)(a)
Adani Kandla Bulk Terminal Private Limited	U63090GJ2012PTC069305	Subsidiary	Clause (ix)(a)
Adani Krishnapatnam Port Limited	U45203GJ1996PLC128239	Subsidiary	Clause (ix) (a) ; (ix) (d)

In respect of the following companies included in the Consolidated Financial Statements, whose audits under section 143 of the Act has not yet been completed, the CARO Report as applicable in respect of those entities are not available and consequently have not been provided to us on the date of this audit report:

Name of the Component	CIN	Nature of Relationship
HDC Bulk Terminal Limited	U61200GJ2022PLC129880	Wholly Owned Subsidiary
Dighi Roha Rail Limited	U74140DL2015PLC285745	Joint Venture

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

**Kartikeya Raval**  
Partner  
(Membership No. 106189)  
(UDIN: 22106189AJNMJC4683)

Place: Ahmedabad  
Date: May 24, 2022

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

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

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **Adani Ports and Special Economic Zone Limited** (hereinafter referred to as "Parent"), its subsidiaries, associates and joint ventures, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Parent, its subsidiaries, associates and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiaries, associates and joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards

and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiaries, associates and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiaries, its associates and joint ventures, which are companies incorporated in India.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiaries, associates and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting

were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 57 subsidiaries, two associates and three joint ventures, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Registration No 117366W/W-100018)

**Kartikeya Raval**

Partner  
(Membership No. 106189)  
(UDIN: 22106189AJNMJC4683)

Place: Ahmedabad  
Date: May 24, 2022

## Consolidated Balance Sheet as at March 31, 2022

₹ in Crore

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3 (a)	39,577.14	36,791.51
Right-of-Use Assets	3 (b)	2,744.33	1,919.37
Capital Work-in-Progress	3 (e)	3,985.76	3,697.13
Goodwill	3 (d)	5,917.88	4,047.05
Other Intangible Assets	3 (c)	8,571.66	5,533.03
Investments accounted using Equity Method	4 (a)	3,990.18	649.53
<b>Financial Assets</b>			
Investments	4 (b)	1,923.15	447.86
Loans	6	87.00	235.00
Loans to Joint Venture Entities	6	484.41	751.26
Other Financial Assets			
- Bank Deposits having maturity over twelve months	11	1,954.49	89.42
- Other Financial Assets other than above	7	4,597.55	5,010.85
Deferred Tax Assets (net)	27	994.38	881.73
Other Non-Current Assets	8	2,248.20	2,502.11
		<b>77,076.13</b>	<b>62,555.85</b>
<b>Current Assets</b>			
Inventories	9	381.19	991.85
<b>Financial Assets</b>			
Investments	10	47.79	1,138.76
Trade Receivables	5	2,170.44	2,385.90
Customers' Bills Discounted	5	299.24	539.81
Cash and Cash Equivalents	11	8,596.77	4,198.04
Bank Balances other than Cash and Cash Equivalents	11	1,895.32	502.74
Loans	6	1,240.65	1,014.81
Loans to Joint Venture Entities	6	61.77	68.00
Other Financial Assets	7	523.27	699.84
Other Current Assets	8	686.71	1,013.20
		<b>15,903.15</b>	<b>12,552.95</b>
<b>Assets Held For Sale</b>	39	1,898.48	354.86
<b>Total Assets</b>		<b>94,877.76</b>	<b>75,463.66</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	422.47	406.35
Other Equity	13	37,827.53	30,201.91
Total Equity attributable to Equity holders of the parent		<b>38,250.00</b>	<b>30,608.26</b>
Non-Controlling Interests		392.77	1,464.93
<b>Total Equity</b>		<b>38,642.77</b>	<b>32,073.19</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	39,691.48	32,935.53
Lease Liabilities	15	1,951.92	715.75
Other Financial Liabilities	16	227.56	207.61
Provisions	20	32.04	26.68
Deferred Tax Liabilities (net)	27	2,207.34	1,203.16
Other Non-Current Liabilities	17	988.21	1,065.79
		<b>45,098.55</b>	<b>36,154.52</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	5,761.56	1,465.45
Customers' Bills Discounted	18	299.24	539.81
Lease Liabilities	15	30.53	32.26
Trade and Other Payables	19		
- total outstanding dues of micro enterprises and small enterprises		35.24	11.50
- total outstanding dues of creditors other than micro enterprises and small enterprises		944.35	1,002.35
Other Financial Liabilities	16	1,937.30	2,214.63
Other Current Liabilities	17	1,624.11	1,721.19
Provisions	20	104.83	95.73
Current Tax Liabilities (net)	27	93.92	38.49
		<b>10,831.08</b>	<b>7,121.41</b>
<b>Liabilities associated with Assets classified as Held for Sale</b>	39	305.36	114.54
<b>Total Liabilities</b>		<b>56,234.99</b>	<b>43,390.47</b>
<b>Total Equity and Liabilities</b>		<b>94,877.76</b>	<b>75,463.66</b>

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date.

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Kartikeya Raval  
Partner

For and on behalf of the Board of Directors

Gautam S. Adani  
Chairman and Managing Director  
DIN : 00006273

Karan Adani  
Wholetime Director and CEO  
DIN: 03088095

Rajesh S. Adani  
Director  
DIN : 00006322

Kamlesh Bhagia  
Company Secretary

Place : Ahmedabad  
Date : May 24, 2022

Date : May 24, 2022

## Consolidated Statement of Profit and Loss for the year ended March 31, 2022

₹ in Crore

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income</b>			
Revenue from Operations	21	15,934.03	12,549.60
Other Income	22	2,154.78	1,970.23
<b>Total Income</b>		<b>18,088.81</b>	<b>14,519.83</b>
<b>Expenses</b>			
Operating Expenses	23	4,629.62	3,259.49
Employee Benefits Expense	24	663.92	615.05
Finance Costs	25		
Interest and Bank Charges		2,556.27	2,129.16
Derivative (Gain)/Loss (net)		(15.69)	126.13
Depreciation and Amortisation Expense	3	2,739.63	2,107.34
Foreign Exchange Loss/(Gain) (net)		872.07	(715.24)
Other Expenses	26	889.49	691.62
<b>Total Expenses</b>		<b>12,335.31</b>	<b>8,213.55</b>
<b>Profit before share of profit/loss from Joint Venture Entities, Associates and tax</b>		<b>5,753.50</b>	<b>6,306.28</b>
Share of profit/loss from Joint Venture Entities and Associates (net)		192.85	(14.27)
<b>Profit before exceptional items and tax</b>		<b>5,946.35</b>	<b>6,292.01</b>
Exceptional items	8 (c)	(405.19)	-
<b>Profit before tax</b>		<b>5,541.16</b>	<b>6,292.01</b>
<b>Tax expense:</b>	27		
Current tax		800.26	1,271.51
Deferred tax		106.49	102.39
Tax (credit) under Minimum Alternate Tax (MAT)		(160.83)	(130.63)
<b>Total tax expense</b>		<b>745.92</b>	<b>1,243.27</b>
<b>Profit for the Year</b>	(A)	<b>4,795.24</b>	<b>5,048.74</b>
<b>Attributable to:</b>			
Equity holders of the parent		4,728.09	4,994.30
Non-controlling interests		67.15	54.44
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
Re-measurement losses on defined benefit plans		(4.86)	(1.34)
Income tax impact		1.57	0.54
		<b>(3.29)</b>	<b>(0.80)</b>
Net Losses on FVTOCI Equity Investments	4 (ii)	(3.62)	(25.01)
Income tax impact		(1.51)	13.86
		<b>(5.13)</b>	<b>(11.15)</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>			
Share in other comprehensive income of joint venture (net of tax)		33.99	2.35
Exchange difference on translation of foreign operations		(99.57)	(6.32)
		<b>(65.58)</b>	<b>(3.97)</b>
<b>Total Other Comprehensive Income for the year (net of tax)</b>	(B)	<b>(74.00)</b>	<b>(15.92)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(75.61)	(15.48)
Non-controlling interests		1.61	(0.44)
<b>Total Comprehensive income for the year (net of tax)</b>	(A)+(B)	<b>4,721.24</b>	<b>5,032.82</b>
<b>Attributable to:</b>			
Equity holders of the parent		4,652.48	4,978.82
Non-controlling interests		68.76	54.00
Earnings per Share - (Face value of ₹2 each) Basic and Diluted (in ₹)	28	22.39	24.58

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

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

**Kartikeya Raval**  
Partner

Place : Ahmedabad  
Date : May 24, 2022

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

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

Date : May 24, 2022

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Kamlesh Bhagia**  
Company Secretary

## Consolidated Statement of Changes in Equity for the year ended March 31, 2022

Particulars	Attributable to equity holders of the parent											Non-controlling interest	Total equity		
	Equity share capital	Other Equity												Total	
		Equity Component of Non-Cumulative Redeemable Preference shares	Reserves and Surplus					Other Comprehensive Income							Total
			Securities Premium	Capital Reserve	Debtenture Redemption Reserve	Tonnage Tax Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve				
<b>Balance as at April 1, 2020</b>	406.35	166.53	599.56	-	477.20	746.35	7.84	2,719.80	20,292.17	40.48	(12.12)	179.33	25,623.49	219.59	25,843.08
Profit for the year	-	-	-	-	-	-	-	-	4,994.30	-	-	-	-	54.44	5,048.74
<b>Other Comprehensive Income</b>	-	-	-	-	-	-	-	-	(0.80)	-	-	-	(0.80)	-	(0.80)
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Gains on FV(TOC) Equity Investments (net of tax)	-	-	-	-	-	-	-	-	-	-	-	(10.71)	(10.71)	(0.44)	(11.15)
Share in other comprehensive income of joint venture	-	-	-	-	-	-	-	-	-	-	2.35	-	2.35	-	2.35
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	(6.32)	-	(6.32)	-	(6.32)
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	4,953.50	(6.32)	2.35	(10.71)	4,978.82	54.00	5,032.82
Transfer to General Reserve	-	-	-	-	(46.17)	-	-	46.17	-	-	-	-	-	-	-
Non-controlling interest adjustment on acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	1,191.34	1,191.34
Capital reserve on acquisition	-	-	-	5.95	-	-	-	-	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	-	(14.80)	-	-	14.80	-	-	-
Transfer to Debtenture Redemption Reserve	-	-	-	-	125.66	-	-	-	(125.66)	-	-	-	-	-	-
Transfer from/to Tonnage Tax Reserve	-	-	-	-	-	269.53	-	-	(269.53)	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	406.35	166.53	599.56	5.95	556.69	1,015.88	7.84	2,765.97	24,875.68	34.16	(9.77)	183.42	30,608.26	1,464.93	32,073.19

# Consolidated Statement of Changes in Equity for the year ended March 31, 2022

Particulars	Attributable to equity holders of the parent											Non-controlling interest	Total equity		
	Equity share capital	Other Equity							Total						
		Equity Component of Non-Cumulative Redeemable Preference shares	Securities Premium	Capital Reserve	Debt Redemption Reserve	Tonnage Tax Reserve	Reserves and Surplus	Capital Redemption Reserve	General Reserve	Retained Earnings	Other Comprehensive Income			Equity instrument through OCI	
<b>Balance as at April 01, 2021</b>	406.35	166.53	599.56	5.95	556.69	1,015.88	7.84	2,765.97	24,875.68	34.16	(9.77)	183.42	30,608.26	1,464.93	32,073.19
Profit for the year	-	-	-	-	-	-	-	-	4,728.09	-	-	-	4,728.09	67.15	4,795.24
<b>Other Comprehensive Income</b>	-	-	-	-	-	-	-	-	(3.29)	-	-	-	(3.29)	-	(3.29)
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Gains on FVOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	-	-	-	-	(4.69)	(4.69)	(0.44)	(5.13)
Share in other comprehensive income of joint venture	-	-	-	-	-	-	-	-	-	-	33.99	-	33.99	-	33.99
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	-	(101.62)	-	-	(101.62)	2.05	(99.57)
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	4,724.80	(101.62)	33.99	(4.69)	4,652.48	68.76	4,721.24
Dividend on shares	-	-	-	-	-	-	-	-	(1,020.88)	-	-	-	(1,020.88)	-	(1,020.88)
Dividend to Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(5.85)	(5.85)
Transfer to General Reserve	-	-	-	-	-	-	-	46.16	-	-	-	-	-	-	-
Issue of equity Shares (refer note 12 (a) (ii))	2.00	-	798.00	-	-	-	-	-	-	-	-	-	800.00	-	800.00
Issue of equity Shares pursuant to Composite Scheme of Arrangement (refer note 12 (a) (ii) & 38 (i) (5))	14.12	-	4,754.10	-	-	-	-	-	-	-	-	-	4,768.22	-	4,768.22
Adjustment on Acquisition of Non-controlling stake	-	-	-	-	-	-	-	-	(1,558.08)	-	-	-	(1,558.08)	(1246.87)	(2,804.95)
Non-controlling Interest adjustment on acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	2.55	2.55
Increase in share capital of non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	109.25	109.25
Transfer to Debenture Redemption Reserve	-	-	-	-	122.21	-	-	-	(122.21)	-	-	-	-	-	-
Transfer from/to Tonnage Tax Reserve	-	-	-	-	(24.75)	-	-	24.75	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	422.47	166.53	6,151.66	5.95	632.74	991.13	7.84	2,812.13	26,924.06	(67.46)	24.22	178.73	38,250.00	392.77	38,642.77

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

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

**Kartikaya Raval**  
Partner

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

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

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

**Kamlesh Bhagia**  
Company Secretary

Place : Ahmedabad  
Date : May 24, 2022

Date : May 24, 2022

## Consolidated Statement of Cash Flows for the year ended March 31, 2022

₹ in Crore

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A</b>	<b>Cash Flows from Operating Activities</b>		
	<b>Net profit before Tax</b>	5,541.16	6,292.01
	Adjustments for :		
	Share of (Gain)/Loss of Joint Venture Entities and Associates	(192.85)	14.27
	Depreciation and Amortisation Expense	2,739.63	2,107.34
	Unclaimed Liabilities / Excess Provision Written Back	(12.59)	(5.38)
	Cost of Assets transferred under Finance Lease	8.62	4.20
	Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(65.63)	(65.62)
	Financial Guarantees Income	(4.38)	(2.71)
	Amortisation of Government Grant	(14.23)	(12.95)
	Finance Cost	2,556.27	2,129.16
	Effect of Exchange Rate Change	917.91	(729.14)
	Derivative (Gain)/Loss (net)	(15.69)	126.13
	Provision of Doubtful Debts	-	25.00
	Loss on fair valuation of Financial Instruments	12.53	-
	Interest Income	(1,880.47)	(1,758.17)
	Dividend Income	(4.01)	(7.01)
	Net Gain on Sale of Current Investments	(5.41)	(12.39)
	Gain on Disposal of Associate	-	(92.28)
	De-recognition of Service Exports from India Scheme Receivables	405.19	-
	Investment accounted using Equity Method	41.25	-
	Gain on loss of control of subsidiaries	(59.23)	-
	Diminution in value of Inventories	1.83	2.49
	Amortisation of fair valuation adjustment on Security Deposit	1.72	1.72
	Loss on Sale / Discard of Property, Plant and Equipment (net)	3.52	3.55
	<b>Operating Profit before Working Capital Changes</b>	<b>9,975.14</b>	<b>8,020.22</b>
	Adjustments for :		
	Decrease in Trade Receivables	240.07	295.20
	Decrease/(Increase) in Inventories	609.03	(23.58)
	(Increase)/Decrease in Financial Assets	(89.17)	219.36
	Decrease in Other Assets	234.25	56.57
	Increase in Provisions	9.07	10.68
	Decrease in Trade and other Payables	(40.17)	(68.92)
	Increase in Other Financial Liabilities	8.70	29.68
	Decrease in Other Liabilities	(298.28)	(110.60)
	<b>Cash Generated from Operations</b>	<b>10,648.64</b>	<b>8,428.61</b>
	Direct Taxes paid (Net of Refunds)	(848.42)	(872.83)
	<b>Net Cash generated from Operating Activities</b>	<b>9,800.22</b>	<b>7,555.78</b>
<b>B</b>	<b>Cash Flows from Investing Activities</b>		
	Purchase of Property, Plant and Equipment ("PPE") (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	(3,749.17)	(1,953.51)
	Proceeds from Assets considered as held for sale (refer note 39 (iv))	155.00	-
	Proceeds from Sale of Property, Plant and Equipment	12.70	3.80
	Deposit given against Capital Commitments	(847.00)	(630.00)
	Refund of Deposit given against Capital Commitments	1,464.22	491.39
	Payment for acquisition of subsidiaries	(21.10)	(13,666.98)
	PPE purchased along with Adani Krishnapatnam Port Limited transaction	-	(398.19)
	Equity Investment in Joint Venture entities/Associates	(2,624.88)	-
	Proceeds from Sale of Stake in Associate	-	252.06
	Proceeds from Sale of Investment	1.81	72.40
	Investment in Preference share of Joint Venture entities	(634.47)	(23.77)
	Proceeds from loss of control of subsidiary	116.27	-
	Loans / Inter Corporate Deposits (ICDs) given (refer foot-note 3)	(40,655.69)	(41,467.26)

## Consolidated Statement of Cash Flows for the year ended March 31, 2022

₹ in Crore

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loans / Inter Corporate Deposits (ICDs) received back (refer foot-note 3)	41,066.75	42,499.03
Proceeds from Fixed Deposits (net) including Margin Money Deposits	(3,057.27)	(370.38)
Investment in Financial Instruments (Net)	(446.00)	(926.02)
Proceeds from sale/(Purchase) of Investments in Mutual Fund (net)	286.35	(188.45)
Dividend Received	4.01	7.01
Interest Received	1,716.86	2,156.20
<b>Net Cash used in Investing Activities</b>	<b>(7,211.61)</b>	<b>(14,142.67)</b>
<b>C Cash Flows from Financing Activities</b>		
Proceeds from Non-Current Borrowings	7,244.31	13,893.45
Repayment of Non-Current Borrowings	(2,293.10)	(7,252.60)
Proceeds from/(Repayment of) Current Borrowings (Net)	2,576.38	(1,150.00)
Payment for acquisition of non-controlling stake	(2,802.00)	-
Proceeds from Issue of Equity Shares	800.00	-
Proceeds from Issue of Share Capital to Non-Controlling Interest	109.25	-
Interest and Finance Charges Paid	(2,549.94)	(1,937.73)
Repayment of Lease Liabilities	(59.85)	(18.10)
Gain/(Loss) on settlement of Derivative Contracts	43.13	(20.94)
Payment of Dividend on Equity and Preference Shares	(1,026.65)	(0.23)
<b>Net Cash generated from Financing Activities</b>	<b>2,041.53</b>	<b>3,513.85</b>
<b>D Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>4,630.14</b>	<b>(3,073.04)</b>
<b>E Cash and Cash Equivalents at the Beginning of the year (refer note 11)</b>	<b>4,200.97</b>	<b>7,195.46</b>
<b>F Cash and Cash Equivalents on acquisition of subsidiaries (refer note 38)</b>	<b>22.14</b>	<b>78.55</b>
<b>G Reduction in Cash and Cash Equivalents on account of loss of control of subsidiaries.</b>	<b>(56.00)</b>	<b>-</b>
<b>H Net movement relating to Assets Classified as held for sale</b>	<b>(177.45)</b>	<b>-</b>
<b>I Cash and Cash Equivalents at the End of the year (refer note 11)</b>	<b>8,619.80</b>	<b>4,200.97</b>

Summary of significant accounting policies refer note 2.3

### Notes:

- The Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 - Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) 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 16(a).
- Subsequent to the balance sheet date, the Company has given Loans/Inter Corporate Deposits (Loans and ICDs) with contractual maturity of less than twelve months amounting to ₹ 18,418.87 crores, where repayments have been guaranteed by a related party. Loans and ICDs of ₹ 12,277.99 crores have been subsequently received along with interest. (refer note 6)

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

**Kartikeya Raval**

Partner

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

**Gautam S. Adani**

Chairman and Managing Director

DIN : 00006273

**Karan Adani**

Wholetime Director and CEO

DIN: 03088095

**Rajesh S. Adani**

Director

DIN : 00006322

**Kamlesh Bhagia**

Company Secretary

Place : Ahmedabad

Date : May 24, 2022

Date : May 24, 2022

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

## 1 Corporate information

The Consolidated financial statements comprise financial statements of Adani Ports and Special Economic Zone Limited ("the Company" or "APSEZL"), subsidiaries, joint venture entities and associates (collectively, the "Group") for the year ended March 31, 2022. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat, India - 382421.

The Group has port infrastructure facilities at Mundra, Kandla, Hazira, Dahej, Dhamra, Vizag, Murmugao, Kattupalli, Ennore, Krishnapatnam and Dighi locations developed pursuant to the respective concession/sub concession agreements apart from other businesses. The Group is also developing Port Infrastructure at Vizhinjam and Colombo.

The Company is in the business of development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Port at Mundra. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional port terminals and south port terminal infrastructure facilities are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years period effective from February 17, 2001. At Mundra, the Company has expanded port infrastructure facilities through approved supplementary concession agreement (pending to be concluded) which will be effective till the year 2040, whereby port infrastructure has been developed at Wandh in Mundra to handle coal cargo. The said agreement is in the process of getting signed with GoG and GMB although Coal terminal at Wandh is recognised as commercially operational w.e.f. February 01, 2011.

The first Container Terminal facility (CT-1) developed at Mundra, was transferred under a Sub-Concession Agreement entered on January 7, 2003 between Mundra International Container Terminal Limited (MICTL) and the Company in line with the Concession Agreement, wherein the ownership of the asset (CT 1) was transferred by the Company to the MICTL. MICTL was given

rights to handle container cargo at the CT 1 Terminal for a period that was co-terminus with the Concession Agreement of Mundra Port, i.e. till February 17, 2031. The container terminal facilities developed at South Port location include CT-3, for development of which the Company had entered into an agreement with the Adani International Container Terminal Private Limited (AICTPL), a 50:50 Joint Venture between the Company and MSC (Mediterranean Shipping Company). AICTPL is a sub-concessionaire as per the arrangement and the ownership of the CT 3 Terminal is transferred to AICTPL in line with the Sub-Concession Agreement dated October 17, 2011. The period of the Sub-Concession Agreement is co-terminus with the Concession Agreement of Mundra Port, and during the said period AICTPL can handle container cargo at CT 3 terminal. In the financial year 2017-18, Sub-Concession Agreement was entered into for the extension of CT 3 Terminal. This terminal, an extension of CT 3 was developed and ownership of the same was also transferred to AICTPL in line with the above. Operations commenced at CT 3 Extension w.e.f. November 01, 2017. As part of South Port, the third Container Terminal is CT 4, the ownership of this terminal is also transferred after development to a sub-concessionaire in line with the Mundra Concession Agreement; who in this case is Adani CMA Mundra Terminal Private Limited (ACMTPL), a 50:50 Joint Venture between the Company and CMA Terminals, France (joint venture agreement dated July 30, 2014). The Sub-Concession Agreements for Terminals of CT 3, CT 3 Extension and CT 4 are to be approved by GOG for the final signing between parties and GMB as confirming party.

The Multi Product Special Economic Zone developed at Mundra by the Company along with port infrastructure facilities is approved by the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 and subsequently amended from time to time till date. The Company has also set up Free Trade and Warehousing Zone at Mundra based on approval of Ministry of Commerce and Industry vide letter no. F.1/16/2011-SEZ dated January 04, 2012. The Company has also set up additional Multi Product Special Economic Zone at Mundra Taluka over an area of 1,856 hectares as per approval from Ministry of Commerce and Industry vide approval letter dated April 24, 2015. The Company has received single notification consolidating all three notified SEZ in Mundra vide letter dated March

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

15, 2016 of Ministry of Commerce and Industry, Department of Commerce (SEZ Section).

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 24, 2022.

Major Entities and their nature of operations are as follows:

- 1) Adani Logistics Limited ("ALL"), a 100% subsidiary of APSEZL, has developed multi-model cargo storage-cum-logistics services through development of Inland Container Depots (ICDs) and Container Freight Stations (CFSs) at various strategic locations and operates container trains on specific railway routes as per concession agreement entered into with Ministry of Railways, Government of India.
- 2) MPSEZ Utilities Limited ("MUL") (Formerly known as MPSEZ Utilities Private Limited), was a 100% subsidiary of APSEZL, had developed infrastructure including operation, development, maintenance, improvement and extension of utility services (including power distribution) at Mundra Special Economic Zone in Kutch district, Gujarat. During the year, the company has divested the investment and MUL ceased to be subsidiary of the Company.
- 3) Mundra SEZ Textile and Apparel Park Private Limited ("MITAP"), a 49.88% subsidiary of APSEZL and 5.40% investment held through ALL (a 100% subsidiary of APSEZL), has set up an integrated textile park under the scheme of Ministry of Textiles, Government of India in Special Economic Zone at Mundra, Kutch district, Gujarat.
- 4) Karnavati Aviation Private Limited ("KAPL"), a 100% subsidiary of APSEZL, is engaged in providing non scheduled (passenger) airline services through its aircrafts.
- 5) Adani Petronet (Dahej) Port Private Limited ("APDPPL"), a 74% subsidiary of APSEZL, has developed a Solid Cargo Port Terminal and related port infrastructure facilities of bulk cargo at Dahej, Gujarat.
- 6) Adani Murmugao Port Terminal Private Limited ("AMPTPL"), a 100% subsidiary of APSEZL, has developed port infrastructure facilities i.e. coal handling terminal at Murmugao, Goa.
- 7) Mundra International Airport Private Limited ("MIAPL"), a 100% subsidiary of APSEZL, has plan to set up air cargo operations at Kawai, Rajasthan.
- 8) Adani Hazira Port Limited ("AHPL") (Formerly known as Adani Hazira Port Private Limited), a 100% subsidiary of APSEZL, has developed multi – cargo terminal and related infrastructure at Hazira - Surat (Gujarat). The further expansion of port facilities is under development.
- 9) Adani Vizag Coal Terminal Private Limited ("AVCTPL") is a 100% subsidiary of APSEZL. The Company has developed Port infrastructure facilities at East Quay for handling steam coal at Visakhapatnam Port.
- 10) Adani Kandla Bulk Terminal Private Limited ("AKBTPL") is a 100% subsidiary of APSEZL. The Company has developed a Dry Bulk terminal off Tekra near Tuna outside Kandla creek at Kandla Port.
- 11) Adani Warehousing Services Private Limited ("AWSPL") is a 100% subsidiary of APSEZL. The Company is formed to provide warehousing / storage facilities and other related services.
- 12) Adani Ennore Container Terminal Private Limited ("AECTPL") is a 100% subsidiary of APSEZL. The Company has developed container terminal and other related infrastructure at Ennore Port.
- 13) Adani Hospitals Mundra Private Limited ("AHMPL") is a 100% subsidiary of APSEZL. The Company provides hospital and related services at Mundra.
- 14) The Dhamra Port Company Limited ("DPCL"), is a 100% subsidiary of APSEZL and is operating bulk cargo port infrastructure facilities at Dhamra in the state of Odisha.
- 15) Shanti Sagar International Dredging Limited ("SSIDL") (Formerly known as Shanti Sagar International Dredging Private Limited) is a 100% subsidiary of APSEZL. The Company is providing dredging services.
- 16) The Adani Harbour Services Limited ("TAHSL") (Formerly known as The Adani Harbour Services Private Limited) is a 100% subsidiary of APSEZL. Previously, the company was known as TM Harbour Services Private Limited. The principal activity of TAHSL is to own and operate harbour tugs, barges, other port crafts, ocean towage and offshore

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

- support vessels and to provide marine services like pilotage, laying and maintenance of buoys including SBMs, mooring of vessels at berth and mid-stream.
- 17) Adani Vizhinjam Port Private Limited ("AVPPL"), a 100% subsidiary of APSEZL, is developing container terminal port and other related infrastructure at Vizhinjam.
- 18) Adani Kattupalli Port Limited ("AKPL") (Formerly known as Adani Kattupalli Port Private Limited), a 100% subsidiary of APSEZL is engaged in the business of Container Freight Station at Kattupalli Port, Tamil Nadu.
- 19) Abbot Point Operations Pty Limited ("APO") is a 100% subsidiary of APSEZL and engaged in the business of Operation and Maintenance (O&M) service to port.
- 20) Marine Infrastructure Developer Private Limited ("MIDPL") is subsidiary of APSEZL with 97% equity stake and is engaged in the business of Port Operations at Kattupalli Port.
- 21) Adani Yangon International Terminal Company Limited ("AYITCL") is wholly owned subsidiary of Coastal International Terminals Pte Limited (Formerly known as Adani International Terminals Pte Limited) (a subsidiary company), developing port infrastructure at Myanmar. (refer note 39 (iii))
- 22) Adani Agri Logistics Limited, Adani Agri Logistics (Dahod) Limited, Adani Agri Logistics (Samastipur) Limited and Adani Agri Logistics (Darbhanga) Limited had become wholly owned subsidiaries of Adani Logistics Limited (the subsidiary company of APSEZL) and is engaged in the business of Logistics Operations. Pursuant to the acquisition of 100% equity stake of Adani Agri Logistics Limited ("AALL") in preceding year, subsidiary companies of AALL have become step down subsidiary companies of Adani Logistics Limited (the subsidiary company of APSEZL).
- 23) Adani Logistics Services Private Limited is subsidiary of Adani Logistics Limited (a subsidiary) with 98.40% equity stake and is engaged in the business of Logistics Operations.
- 24) Adani Bangladesh Ports Private Limited ("ABPPL") has been incorporated as a wholly owned subsidiary of the Company on February 17, 2020.
- 25) APSEZL has acquired 75% equity shares of Adani Krishnapatnam Port Limited ("AKPL") (Formerly known as Krishnapatnam Port Company Limited) on October 01, 2020 and is engaged in the business of Port Operations. Further during the current year, the Company has acquired balance 25% stake in AKPL and hence it became wholly owned subsidiary of the Group w.e.f June 08, 2021.
- Pursuant to such acquisition, subsidiary companies of AKPL have become step down subsidiary companies of APSEZL.
- 26) APSEZL has acquired 100% equity shares of Dighi Port Limited ("DPL") on February 15, 2021 and is engaged in the business of Port Operations.
- 27) APSEZL has acquired 100% equity shares of Adani Tracks Management Services Private Limited (Formerly known as Sarguja Rail Corridor Private Limited) pursuant to Composite Scheme of Arrangement. (refer note 38 (i) (3))

### 2. Basis of preparation

- 2.1 The consolidated financials statements of the Group 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 2.3 (y) hitherto in use.

The consolidated financial statements have been prepared on a historical 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 consolidated financial statements are presented in Indian Rupees (₹) in Crore and all values are rounded off to two decimal (₹00,00,000), except when otherwise indicated.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 2.2 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company, subsidiaries, joint venture entities and associates as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:-

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure or rights, to variable returns from its involvement with the investee and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for

like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

#### Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

- liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.3 Summary of significant accounting policies

#### a) Investment in associates and joint venture entities

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but do not control or joint control over those policies.

A joint venture entity is a type of joint arrangement whereby the parties that have joint control of the arrangement and have rights to the net assets of the joint venture. Joint control is a contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control, are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture entities are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture entities is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture and associate entities. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised

directly in the equity of the joint venture entities, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture entities are eliminated to the extent of the interest in the joint venture entities.

If an entity's share of losses of a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture entities is shown on the face of the consolidated statement of profit and loss.

The financial statements of the joint venture entities are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture entities. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture entities are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture entities and its carrying value, and then recognises the loss as 'Share of profit of a joint venture entities' in the consolidated statement of profit and loss.

Upon loss of significant influence over associate entity/ joint control over the joint venture entities, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates entity / joint venture entities upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the statement of profit and loss.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### b) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realised within twelve months after the reporting period; or
- Cash 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 Group classifies all other liabilities as non-current.

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

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

### c) Foreign currency transactions :

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. However, for practical reasons, the Group entities use an average rate if the average approximates the actual rate at the date of transaction. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from

using this method.

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

Exchange differences arising on settlement or translation of monetary items are recognised in 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 project 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 fixed assets and depreciated over the remaining useful life of the asset.
- ii. Exchange differences arising on other outstanding long term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA) and amortised over the remaining life of the concerned monetary item or financial year 2019-20, whichever is earlier. The said balance has been completely amortised in the previous financial year.

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.

### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense

## Notes to the Consolidated Financial Statements

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items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in statement of profit and loss.

### d) Fair value measurement

The Group 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 Group.

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair

value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group 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 Group'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 and for non recurring fair value measurement, such as an assets under the scheme of business undertaking.

External valuers are involved for valuation of significant assets such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities. Involvement of external valuers is decided upon annually by the Management and in specific cases after discussion with and approval by the respective company's Audit Committee. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group'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 Group'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 Group'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 Group 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

## Notes to the Consolidated Financial Statements

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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 2.4 and 34.2)
- Quantitative disclosures of fair value measurement hierarchy (refer note 34.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 34.1)

### e) Revenue recognition

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 Group expects to be entitled in exchange for those goods or services.

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

#### Port operation and logistics services

Revenue from port operation services including cargo handling, storage, rail infrastructure, other ancillary port services and logistics services are recognised in the accounting period in which the services are transferred to the customer at an amount that reflects the consideration to which the Group 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 on take-or-pay charges are recognised for the quantity that is the difference between annual agreed tonnage and actual quantity of cargo handled. The amount recognised as revenue is exclusive of goods and services tax wherever applicable.

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

Income towards infrastructure premium is

recognised as revenue in the year in which the Group provides access to its common infrastructure.

#### Income from long term leases

As a part of its business activity, the Group 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 land lease / sub-lease agreement are cancellable in nature, the income in the nature of upfront premium received / receivable is recognised 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 recognised on an accrual basis.

In cases where long term lease / sub-lease transaction agreement are non-cancellable in nature, the income is recognised 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 recognised 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 land 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.

#### 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.

#### Development of Infrastructure Assets

The Company's business operations includes 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 recognised on completion of relevant activities under the contract and the transfer of control of

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

the infrastructure when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer.

### Non scheduled aircraft services

Revenue from chartered services is recognised when the service is performed under contractual obligations.

### Utilities Services

Revenue is recognised as and when the service performed under contractual obligations and the right to receive such income is established. Delayed payment charges are accounted as and when received.

### Income from SEIS

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

### Revenue recognition from Service Concession arrangements in Agri Logistics Business

Service Concession arrangements revenue relating to construction contracts which are entered into with Government Authorities for the construction of infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivables. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

Once the infrastructure is in operation, the treatment of income is as follows:

Finance income over financial asset after consideration of fixed storage charges is recognised using effective interest rate method. Variable storage charges revenue is recognised in the period of storage of food grains. Revenues from other variable charges such as loading and unloading charges, bagging charges, stacking charges, etc. as per the rates mentioned in SCA are recognised in each period as and when services are rendered in accordance with "Ind AS 115 - Revenue from Contracts with Customers".

### Interest income

For all financial assets measured either at amortised 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 amortised cost of a financial liability. When calculating the effective interest rate, the Group 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 consolidated statement of profit and loss.

### Dividends

Dividend Income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### f) Government grants

Government grants are recognised 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 recognised 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 recognised either as a income in equal amounts over the expected useful life of the related asset or by deducting from the carrying amount of the asset.

### Royalty on Cargo

Waterfront royalty under the various concession/ sub concession agreement is paid at concessional rate in terms of rate prescribed by Gujarat Maritime Board (GMB) and notified in official gazette of various state Government authorities, wherever applicable.

### g) Taxes

Tax expense comprises of current income tax and deferred tax.

### Current income tax

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

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

are those that are enacted or substantially enacted, at the reporting date.

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

### Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of 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 venture entities, 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that 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 venture entities, 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 Company is eligible and claiming tax deductions available under section 80IAB of the Income Tax Act, 1961 for a period of 10 years w.e.f FY 2007-08 to FY 2016-17. Some of the subsidiaries and joint venture entities are also eligible for tax deductions available under section 80IA of the Income Tax Act, 1961 for a period of 10 years out of eligible period of 15 years. In view of some of the subsidiaries and joint venture entities availing tax deduction under Section 80IA of the Income Tax Act, 1961, deferred tax has been recognised in respect of temporary difference, which reverse after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognised in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originate first are considered to reverse first.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

The Group 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 Group 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 Group recognises tax credits as an asset, the said asset is created by way of tax credit to the consolidated statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent the Group 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.

### h) Property, plant and equipment (PPE)

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

Property, plant and equipment and Capital work-in-progress are stated at cost. Such cost includes the cost of replacing parts of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in consolidated statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of respective asset if recognition criteria for the provision are met.

The Group adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial statements i.e. March 31, 2016 and pertaining to the acquisition of

a depreciable asset to the cost of asset and depreciates the same over the remaining useful life of the asset. The depreciation on such foreign exchange difference is recognised from first day of the financial year.

Borrowing cost relating to acquisition / construction of Property, Plant and Equipments 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 fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

Assets	Estimated Useful life
Leasehold Land Development	Over the balance period of Concession Agreement and approved Supplementary Concession Agreement by Gujarat Maritime Board, other major port trust authorities, State Government authorities etc. as applicable
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement in case of terminals entitlement to Depreciated Replacement Value. In other cases over the balance period of concession agreement as applicable
Dredging Pipes - Plant and Equipment	1.5 Years

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Assets	Estimated Useful life
Nylon and Steel coated belt on Conveyor - Plant and Equipment	4 Years and 10 Years respectively
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Equipment	6 Years
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Bridges, Drains & Culverts	25 Years as per concession agreement
Carpeted Roads – Other than RCC	10 Years
Non Carpeted Roads – Other than RCC	3 Years
Tugs	20 Years

An item of property, plant and equipment covered under Concession agreement, sub-concession agreement and supplementary concession agreement, shall be transferred to and shall vest in Grantor (government authorities) at the end of respective concession agreement. In cases, where the Group is expected to receive consideration of residual value of property from grantor at the end of concession period, the residual value of contracted property is considered as the carrying value at the end of concession period based on depreciation rates as per management estimate/ Schedule II of the Companies Act, 2013 and in other cases it is Nil. For the ports operating in Gujarat, all contracted immovable and movable assets shall be transferred to and shall vest in Gujarat Maritime Board ('GMB') for consideration equivalent to the Depreciated Replacement Value (the 'DRV'). Currently DRV is not determinable, accordingly, residual value of contract asset is considered to be the carrying value based on depreciation rates as per management estimate/ Schedule II of the Companies Act, 2013 at the end of concession period.

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

amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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

### i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value on the date of acquisition. 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 either finite or indefinite.

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

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

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

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

A summary of the policies applied to the Group'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
License Fees paid to Ministry of Railway (MOR) for approval for movement of Container Trains	on straight line basis	Over the license period of 20 years
Right to Use of Land	on straight line basis	Over the period of agreement between 10-20 years
Right of use to develop and operate the port facilities including rights arising from service concession arrangement	on straight line basis	Over the balance period of Sub-Concession Agreement
Railway License	on straight line basis	20 to 35 Years based on validity of license
Non-Compete Agreement	on straight line basis	As per relevant Agreement

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

The Group recognises port concession rights as "Port Infrastructure Rights" under "Intangible Assets" arising from a service concession arrangement, in which the grantor controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement. Such an intangible asset is recognised by the Group at cost (which is the fair value of the consideration received or receivable for the construction service delivered) and is

capitalised when the project is complete in all respects and the Group receives the completion certificate from the authorities as specified in the concession agreement.

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with Appendix C of Ind AS 115 'Service Concession Arrangements'. These assets are amortised based on the lower of their useful lives or concession period.

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

The period of port concession arrangements are of 30 years.

### Service Concession Arrangements ("SCA") in respect of Agri Logistics Business

Certain companies in the Group have entered into service concession agreement with Food Corporation of India (FCI) which is an arrangement between the "grantor" (a public sector entity/ authority) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilising private-sector funds and expertise.

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA.

When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, the Group recognises the consideration for construction services at its fair value as a financial asset and is classified as "financial asset under service concession arrangements".

When the amount of consideration under the arrangement comprises of -

- fixed charges based on Annual Guaranteed Tonnage and

## Notes to the Consolidated Financial Statements

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- variable charges based on Actual Utilisation Tonnage,

then, the Group recognizes the consideration for construction services at its fair value, as the "financial asset under service concession arrangement" to the extent present value of fixed payment to be received discounted at incremental borrowing rate and the residual portion is recognised as an intangible asset.

### j) 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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

### k) Leases

The Group 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.

#### Group as a lessee

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

#### i) Right-of-use assets

The Group recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred,

and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets

If ownership of the leased asset is transferred to the Group 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 (m) Impairment of non-financial assets.

#### ii) Lease Liabilities

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised (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 Group 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.

## Notes to the Consolidated Financial Statements

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

The Group 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.

#### Group as a lessor

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

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

### l) 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.

### m) Impairment of non-financial assets

The Group 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 Group 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 Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group'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 Group estimates the asset's or CGU's recoverable

## Notes to the Consolidated Financial Statements

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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.

Goodwill is tested for impairment annually as at every year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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.

### n) Provisions, Contingent Liabilities and Contingent Assets

#### General

Provisions are recognised when the Group 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.

#### Operational Claim provisions

Provisions for operational claims are recognised when the service is provided to the customer. Further recognition is based on historical experience. The initial estimate of operational claim related cost is revised annually.

### o) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group 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 recognised as a liability after deducting the contribution already paid.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated 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 Group measures the expected cost of such absence as the additional amount that is expected to

## Notes to the Consolidated Financial Statements

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pay as a result of the unused estimate that has accumulated at the reporting date. The Group 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. Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per projected unit credit method.

### p) Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

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

##### Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments and derivative 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:

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

This category is the most relevant to the Group. 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 consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss except where the Company has given temporary waiver of interest not exceeding 12 months period. This category generally applies to trade/loans and other receivables.

##### Debt instrument at FVTPL

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

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

##### Equity investments

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

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

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

##### 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.

##### 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 Group's consolidated balance sheet) when:

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

### Impairment of financial assets

The Group 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, are measured at fair value through 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 Group 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 Group 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 group 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 Group in accordance with the contract and all the cash flows that the Group 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 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 group does not reduce impairment allowance from the gross carrying amount.

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

### Financial liabilities

#### Initial recognition and measurement

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

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for the year ended March 31, 2022

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

### Subsequent measurement

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition 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 Group 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 consolidated statement of profit and loss.

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

#### Loans and borrowings

This is the category most relevant to the Group. 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 consolidated 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 consolidated 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. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### Derecognition

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

#### Reclassification of financial assets

The Group 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 Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### 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.

### q) Derivative financial instruments

#### Initial recognition and subsequent measurement

The Group 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 are classified in the statement of profit and loss and reported with foreign exchange gains/(losses) not within results from operating activities except the effective portion of cash flow hedge. Changes in fair value and gains/(losses) on settlement/remeasurement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

### r) Redeemable preference shares

Redeemable preference shares, being compound financial instrument, are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined 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.

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.

### s) 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 consolidated 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 Group's cash management.

### t) Cash dividend to equity holders of the parent

The Company recognises a liability to make cash to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### u) Goodwill on consolidation

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Goodwill on consolidation arising on acquisitions on or after the date of transition represents the excess of the cost of acquisition at each point of time of making the investment in the subsidiary, over the Group's share in the fair value of the net assets of a subsidiary.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the acquisition.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### v) Business Combination

Business Combination have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes fair value of any contingent considerations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at the fair value on the date of acquisition.

Business Combinations between entities under common control is accounted for at carrying value.

Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

### w) Non-current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

### x) 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 for 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.

### y) New Standards, Interpretations and Amended standards adopted by the Group

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

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

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

The amendments include the following practical expedients:

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

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

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

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

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

### Conceptual framework for financial reporting under Ind AS issued by ICAI

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

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

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

### Ind AS 116: COVID-19 related rent concessions

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

### Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions

of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognizes those costs in its post-combination financial statements in accordance with other Ind AS.

### Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

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

## 2.4 Significant accounting judgements, estimates and assumptions

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

### (A) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which has the most significant effect on the consolidated financial statements:

#### (i) Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control):-

- a) Group owns 49% ownership interest in Dholera Infrastructure Private Limited ("DIPL"). Group has entered into an agreement with the other shareholders of the DIPL basis which the directors of the Company has assessed that it has the practical ability to direct the relevant activities of DIPL unilaterally and therefore APSEZ has control over DIPL.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

- b) Group owns 49% ownership interest in Mundra Solar Technopark Private Limited. The Group took control over business against outstanding receivables from the said entity. The Group also exercises control over board of the said entity pursuant to a shareholder agreement consequential to which the Group has accounted it as a subsidiary in the consolidated financial statements. (refer note 38 (i) (4))

### (ii) Investment in entities which are not considered for consolidation

The Group has investment of ₹ 40 crore in Kutch Railway Company Limited ("KRCL"), the investee, to the tune of the 20% of the paid up capital of the said company. However, the considering that majority of the remaining shares are held by government companies / government authorities / government agencies, and the day-to-day-operations being managed by government officials, the Group does not consider that it has significant influence over KRCL. Accordingly, the investment in the said entity has not been accounted under Ind AS 28 and accounted under Ind AS 109 with subsequent measurement of changes in fair value through other comprehensive income (FVTOCI).

- (iii) The group had a control over Adani KP Agri warehousing Private Limited (formerly known as KP Agri warehousing Pvt Ltd) ("KP Agri") with a shareholding of 74 percent. During the current year, KP Agri commenced its operations. Considering the understanding of the group with other shareholder and the group's ability to exercise joint control over KP Agri, the group has concluded that it is jointly controlling the same post commencement of its operations and accordingly the investment in the said entity has been accounted using Equity method as per Ind AS 28.

### (B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated 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 Group. Such changes

are reflected in the assumptions when they occur.

### (i) Impairment of non-financial assets (including goodwill)

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years or tenure of contract and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the CGU, are disclosed and further explained in note 42, 43 and 44."

### (ii) Taxes

Deferred tax assets (including MAT credits) are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 27.

### (iii) Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Group uses market observable data to the extent available. Where such Level 2 inputs are not available, the Group engages third party qualified valuers to establish appropriate valuation techniques and inputs to the model. The inputs to these models are taken

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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 34 for further disclosures.

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

Property, plant and equipment / intangible assets are depreciated / amortised over

their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group'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. (refer note 2.3 (h) & (i))

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right-of-Use Assets, other Intangible Assets, Goodwill and Capital Work-in-Progress

#### (a) Property, Plant and Equipment

Particulars	Property, Plant and Equipment													Total			
	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Land Development cost	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Tugs and Boats	Railway Wagons		Aircraft	Project Assets	
<b>Cost</b>																	
As at April 1, 2020	2,044.35	4,660.36	129.21	1,170.02	156.22	9,466.26	233.44	41.91	4,000.35	4,809.56	985.76	2,200.08	447.53	307.67	1,087.25		31,739.97
Acquisitions through Business Combination	217.41	2,946.35	1.98	-	2.73	2,523.72	44.52	13.36	1,661.46	1,215.53	170.22	-	-	32.72	-	-	8,830.00
Acquisitions	2,507.42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,507.42
Additions	42.67	487.74	30.71	91.15	24.69	508.87	11.18	1.96	145.76	13.23	31.56	168.43	45.82	11.22	28.63	-	1,643.62
Deductions/Adjustment	(0.16)	(4.62)	(6.40)	(0.49)	(9.80)	(43.29)	(6.19)	(3.24)	-	(0.42)	-	(0.03)	(0.35)	(135.03)	(33.87)	-	(243.89)
Exchange difference	-	(6.14)	-	-	0.34	1.72	-	-	(2.92)	(8.96)	(1.49)	-	-	(1.57)	(0.64)	-	(19.66)
<b>As at March 31, 2021</b>	<b>4,811.69</b>	<b>8,083.69</b>	<b>155.50</b>	<b>1,260.68</b>	<b>174.18</b>	<b>12,457.28</b>	<b>282.95</b>	<b>53.99</b>	<b>5,804.65</b>	<b>6,028.94</b>	<b>1,186.05</b>	<b>2,368.48</b>	<b>493.00</b>	<b>215.01</b>	<b>1,081.37</b>		<b>44,457.46</b>
Acquisitions through Business Combination (refer note 38(i))	715.35	180.28	0.41	122.00	0.29	1,236.56	1.99	0.48	-	-	274.97	-	-	-	-	-	2,532.33
Acquisitions (refer note 38(ii))	8.32	16.12	0.03	-	0.03	9.55	0.11	0.03	-	-	-	-	-	-	-	-	34.19
Additions	100.80	389.69	37.20	329.15	21.77	663.84	9.15	8.46	167.86	78.92	21.54	408.42	267.99	-	50.86	-	2,555.65
Deductions/Adjustment	(2.73)	(3.96)	(2.76)	-	(2.45)	(58.80)	(0.95)	(14.37)	-	(7.07)	-	-	(14.66)	-	(1.28)	-	(109.03)
Exchange difference	-	(0.12)	(0.17)	-	(0.01)	0.28	(0.03)	-	-	-	-	-	-	0.11	1.05	-	1.11
Loss of Control	-	(24.38)	(0.10)	-	(0.01)	(87.00)	(0.01)	(0.02)	-	-	-	-	-	-	-	-	(111.52)
Held for Sale	-	(0.58)	(1.77)	-	(0.72)	(0.27)	(0.39)	-	-	-	-	-	-	-	-	-	(3.73)
<b>As at March 31, 2022</b>	<b>5,633.43</b>	<b>8,640.74</b>	<b>188.34</b>	<b>1,711.83</b>	<b>193.08</b>	<b>14,221.44</b>	<b>292.82</b>	<b>48.57</b>	<b>5,972.51</b>	<b>6,100.79</b>	<b>1,482.56</b>	<b>2,776.90</b>	<b>746.33</b>	<b>215.12</b>	<b>1,132.00</b>		<b>49,356.46</b>
<b>Accumulated Depreciation</b>																	
As at April 1, 2020	-	881.09	68.84	153.29	79.14	2,312.15	36.23	22.92	409.19	403.32	405.70	527.88	71.00	87.83	534.47	-	5,995.05
Depreciation for the year	-	231.60	24.58	54.07	23.41	827.01	24.73	8.40	126.49	138.86	81.84	142.56	39.98	22.06	88.86	-	1,834.45
Deductions/Adjustment	-	(4.52)	(6.39)	13.35	(9.76)	(38.19)	(5.95)	(5.23)	-	(0.42)	-	(0.02)	(0.23)	(95.03)	(24.28)	-	(176.67)
Exchange difference	-	-	-	-	0.10	13.02	-	-	-	-	-	-	-	-	-	-	13.12
<b>As at March 31, 2021</b>	<b>-</b>	<b>1,108.17</b>	<b>87.03</b>	<b>220.71</b>	<b>92.89</b>	<b>3,113.99</b>	<b>57.01</b>	<b>26.09</b>	<b>535.68</b>	<b>541.76</b>	<b>487.54</b>	<b>670.42</b>	<b>110.75</b>	<b>14.86</b>	<b>599.05</b>		<b>7,665.95</b>

₹ In Crore

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd...)

Particulars	Property, Plant and Equipment												Total			
	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Land Development cost	Office Equipment	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Tugs and Boats		Railway Wagons	Aircraft	Project Assets
Depreciation for the year	-	279.68	27.80	58.25	24.67	1,032.46	40.42	10.47	151.62	156.00	99.14	158.75	51.20	18.14	87.83	2,196.43
Deductions/Adjustment	-	(0.82)	(2.14)	-	(1.16)	(28.65)	(0.66)	(12.32)	-	(0.23)	-	-	(0.10)	-	(1.15)	(47.23)
Exchange difference	-	(0.01)	(0.04)	-	(0.01)	(0.02)	-	-	-	-	-	-	-	-	-	(0.08)
Loss of Control	-	(1.93)	(0.04)	-	-	(31.67)	(0.01)	(0.01)	-	-	-	-	-	-	-	(33.66)
Held for Sale	-	(0.06)	(1.21)	-	(0.51)	(0.13)	(0.18)	-	-	-	-	-	-	-	-	(2.09)
<b>As at March 31, 2022</b>	-	<b>1,385.03</b>	<b>111.40</b>	<b>278.96</b>	<b>115.88</b>	<b>4,085.98</b>	<b>96.58</b>	<b>24.23</b>	<b>687.30</b>	<b>697.53</b>	<b>586.68</b>	<b>829.17</b>	<b>161.85</b>	<b>33.00</b>	<b>685.73</b>	<b>9,779.32</b>
<b>Net Block</b>																
As at March 31, 2021	4,811.69	6,975.52	68.47	1,039.97	81.29	9,343.29	225.94	27.90	5,268.97	5,487.18	698.51	1,698.06	382.25	200.15	482.32	36,791.51
<b>As at March 31, 2022</b>	<b>5,633.43</b>	<b>7,255.71</b>	<b>76.94</b>	<b>1,432.87</b>	<b>77.20</b>	<b>10,135.46</b>	<b>196.24</b>	<b>24.34</b>	<b>5,285.21</b>	<b>5,403.26</b>	<b>895.88</b>	<b>1,947.73</b>	<b>584.48</b>	<b>182.12</b>	<b>446.27</b>	<b>39,577.14</b>

#### Notes :-

- Depreciation of ₹29.71 crore (previous year ₹31.93 crore) relating to the project assets and pre-fabricated residential structure (temporary structure) has been allocated to Capitalisation / Capital Work-in-progress for expansion of project works.
- Freehold Land includes land/land development cost of ₹ 21.84 crore (previous year ₹26.67 crore) and 339 acres of land for which title clearance is under process.
- Plant & Equipment includes cost of Water Pipeline amounting to ₹3.37 crore (Gross) (previous year ₹ 3.37 crore), accumulated depreciation ₹2.75 crore (previous year ₹ 2.37 crore) which is constructed on land not owned by the Company.
- Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹859.11 crore (previous year ₹ 840.60 crore), accumulated depreciation ₹ 201.37 crore (previous year ₹165.56 crore). The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.
- Reclaimed land measuring 1,093.53 hectare are pending to be registered in the name of the Company.
- Project Assets includes dredgers and earth moving equipments.
- Free hold Land and lease hold land includes Land given on Operating Lease Basis:  
Gross Block as at March 31, 2022 : ₹6.71 crore (previous year : ₹6.71 crore)  
Accumulated Depreciation as at March 31, 2022 : ₹0.41 crore (previous year : ₹0.36 crore)  
Net Block as at March 31, 2022 : ₹6.30 crore (previous year : ₹6.35 crore)
- Plant & Equipment includes electrical installation of ₹13.04 Crore and accumulated depreciation of ₹8.04 Crore (previous year ₹13.04 Crore and accumulated depreciation of ₹6.85 Crore) for setting up of 66 kVA infrastructure facilities for providing power connection to the port facilities of subsidiary companies.
- The amount of borrowing costs capitalised during the year ended March 31, 2022 was ₹28.87 Crore (previous year ₹8.13 Crore). The rate used to determine the amount of borrowing costs eligible for capitalisation was ranging from 3.38% to 9%, which is the effective interest rate of the specific borrowing.
- The subsidiary company had reclaimed total 230 hectares of land for its port activities. The Company had developed these land area through dredging activities and an amount of ₹17.68 Crore (previous year ₹17.68 Crore) is capitalised as leasehold land development.
- Building and plant & equipments includes warehouses given on Operating Lease Basis :  
Gross Block as at March 31, 2022 : ₹70.58 crore (previous year ₹Nil)  
Accumulated Depreciation as at March 31, 2022 : ₹3.48 crore (previous year ₹Nil)  
Net Block as at March 31, 2022 : ₹67.10 crore (previous year ₹Nil)
- Refer footnote to note 14 and 18 for security / charges created

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd...)

#### (b) Right-of-Use Assets

₹ in Crore						
Particulars	Land	Building	Plant & Equipment	Railway Wagons	Vehicles	Total
<b>Cost</b>						
<b>As at April 1, 2020</b>	<b>1,636.08</b>	<b>60.95</b>	<b>38.52</b>	<b>95.82</b>	<b>7.48</b>	<b>1,838.85</b>
Acquisitions through Business Combination	222.54	-	-	-	-	222.54
Additions	64.09	-	-	-	-	64.09
Deductions/Adjustment	-	-	(0.53)	-	-	(0.53)
Exchange difference	(39.78)	-	-	-	1.57	(38.21)
<b>As at March 31, 2021</b>	<b>1,882.93</b>	<b>60.95</b>	<b>37.99</b>	<b>95.82</b>	<b>9.05</b>	<b>2,086.74</b>
Acquisitions through Business Combination (refer note 38(i))	161.36	-	-	-	-	161.36
Acquisitions (refer note 38(ii))	22.06	-	-	-	-	22.06
Additions	1,449.20	11.84	4.29	-	8.35	1,473.68
Deductions/Adjustment	(3.71)	-	-	-	-	(3.71)
Exchange difference	(118.88)	-	-	-	0.17	(118.71)
Loss of Control	(11.12)	-	-	-	-	(11.12)
Held for sale	(628.79)	-	-	-	-	(628.79)
<b>As at March 31, 2022</b>	<b>2,753.05</b>	<b>72.79</b>	<b>42.28</b>	<b>95.82</b>	<b>17.57</b>	<b>2,981.51</b>
<b>Accumulated Depreciation</b>						
<b>As at April 1, 2020</b>	<b>61.81</b>	<b>5.88</b>	<b>15.25</b>	<b>10.26</b>	<b>2.69</b>	<b>95.89</b>
Depreciation for the year	52.00	5.88	15.08	10.57	2.75	86.28
Deductions/Adjustment	(13.94)	-	-	-	-	(13.94)
Exchange difference	(1.55)	-	-	-	0.69	(0.86)
<b>As at March 31, 2021</b>	<b>98.32</b>	<b>11.76</b>	<b>30.33</b>	<b>20.83</b>	<b>6.13</b>	<b>167.37</b>
Depreciation for the year	77.10	9.13	9.81	10.57	5.22	111.83
Deductions/Adjustment	2.51	-	-	-	-	2.51
Exchange difference	(4.51)	-	-	-	0.64	(3.87)
Loss of Control	(1.24)	-	-	-	-	(1.24)
Held for sale	(39.42)	-	-	-	-	(39.42)
<b>As at March 31, 2022</b>	<b>132.76</b>	<b>20.89</b>	<b>40.14</b>	<b>31.40</b>	<b>11.99</b>	<b>237.18</b>
<b>Net Block</b>						
As at March 31, 2021	1,784.61	49.19	7.66	74.99	2.92	1,919.37
<b>As at March 31, 2022</b>	<b>2,620.29</b>	<b>51.90</b>	<b>2.14</b>	<b>64.42</b>	<b>5.58</b>	<b>2,744.33</b>

#### Notes

- As a part of concession agreement for development of port and related infrastructure at Mundra, the Company has been allotted land on lease basis by Gujarat Maritime Board (GMB). The Company has recorded rights in the GMB Land at present value of future annual lease payments in the books and classified the same as lease hold land.
- Leasehold land includes 38 hectare of forest land amounting to ₹3.59 crore allotted to one of the subsidiary company by Ministry of Environment and Forests.
- GIDC has allotted 11.70 hectare of land on right to use basis for the period of 10 years for developing facilities for the project having gross value of ₹0.58 crore (previous year ₹0.58 Crore) to one of the subsidiary company.
- Refer footnote to note 14 and 18 for security / charges created

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd....)

#### (c) Other Intangible Assets

Particulars	Software	Railway License Fee	Service Concession Assets/Port Infrastructure Rights	Right to operate port	Customer Contract	Customer Relationship	Non-compete agreement	Total
<b>Cost</b>								
<b>As at April 1, 2020</b>	<b>132.43</b>	<b>40.81</b>	<b>2,359.82</b>	<b>123.80</b>	-	-	<b>15.50</b>	<b>2,672.36</b>
Acquisitions through Business Combination	0.77	-	-	3,791.23	-	-	-	3,792.00
Additions	10.00	-	4.99	-	-	-	-	14.99
Deductions/Adjustment	(9.22)	-	(0.86)	-	-	-	-	(10.08)
Exchange difference	4.04	-	4.96	-	-	-	-	9.00
<b>As at March 31, 2021</b>	<b>138.02</b>	<b>40.81</b>	<b>2,368.91</b>	<b>3,915.03</b>	-	-	<b>15.50</b>	<b>6,478.27</b>
Acquisitions through Business Combination (refer note 38(i))	-	-	-	-	2,539.20	741.90	-	3,281.10
Additions	79.35	-	9.71	-	-	-	275.00*	364.06
Deductions/Adjustment	(2.13)	-	(9.63)	-	-	-	-	(11.76)
Exchange difference	0.42	-	0.53	-	-	-	-	0.95
Loss of Control	(0.01)	-	-	-	-	-	-	(0.01)
Held for Sale	(1.23)	-	(392.76)	-	-	-	-	(393.99)
<b>As at March 31, 2022</b>	<b>214.42</b>	<b>40.81</b>	<b>1,976.76</b>	<b>3,915.03</b>	<b>2,539.20</b>	<b>741.90</b>	<b>290.50</b>	<b>9,718.62</b>
<b>Accumulated Amortisation &amp; Impairment</b>								
<b>As at April 1, 2020</b>	<b>68.39</b>	<b>13.16</b>	<b>634.76</b>	<b>10.62</b>	-	-	<b>5.05</b>	<b>731.98</b>
Amortisation for the year	22.62	3.26	129.75	55.17	-	-	7.74	218.54
Deductions/Adjustment	(8.69)	-	(0.30)	-	-	-	-	(8.99)
Exchange difference	1.56	-	2.15	-	-	-	-	3.71
<b>As at March 31, 2021</b>	<b>83.88</b>	<b>16.42</b>	<b>766.36</b>	<b>65.79</b>	<b>110.40</b>	<b>32.26</b>	<b>12.79</b>	<b>945.24</b>
Amortisation for the year	22.80	3.26	130.54	104.56	-	-	57.26	461.08
Deductions/Adjustment	(2.09)	-	(4.38)	-	-	-	-	(6.47)
Exchange difference	0.31	-	0.48	-	-	-	-	0.79
Loss of Control	-	-	-	-	-	-	-	-
Held for Sale	(1.05)	-	(252.63)	-	-	-	-	(253.68)
<b>As at March 31, 2022</b>	<b>103.85</b>	<b>19.68</b>	<b>640.37</b>	<b>170.35</b>	<b>110.40</b>	<b>32.26</b>	<b>70.05</b>	<b>1,146.96</b>
<b>Net Block</b>								
As at March 31, 2021	54.14	24.39	1,602.55	3,849.24	-	-	2.71	5,533.03
<b>As at March 31, 2022</b>	<b>110.57</b>	<b>21.13</b>	<b>1,336.39</b>	<b>3,744.68</b>	<b>2,428.80</b>	<b>709.64</b>	<b>220.45</b>	<b>8,571.66</b>

\* Amounts paid for geographical exclusivity for a period of 5 years and has been amortised accordingly.

#### Notes

a) Refer footnote to note 14 and 18 for security / charges created

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd...)

#### (d) Goodwill

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Carrying value at the beginning of the year	4,047.05	3,286.25
Amount recognised through acquisitions and business combinations, (refer note 38(i))	1,870.78	760.41
Forex movement	0.05	0.39
Carrying value at the end of the year (refer note 44)	<b>5,917.88</b>	<b>4,047.05</b>

#### (e) Capital Work-in-Progress

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Opening	3,697.13	3,216.33
Additions	3,601.10	1,832.68
Capitalised during the year	(2,996.43)	(1,520.32)
Acquisition Adjustment	53.59	168.44
Asset Held for Sale	(345.15)	-
Loss of Control	(24.48)	-
Closing	<b>3,985.76</b>	<b>3,697.13</b>

Refer footnote to note 14 and 18 for security / charges created

#### Capital Work-in-Progress (CWIP) Ageing

As at March 31, 2022

Particulars	₹ in Crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	1,738.30	585.74	563.68	1,098.04	3,985.76
<b>Total</b>	<b>1,738.30</b>	<b>585.74</b>	<b>563.68</b>	<b>1,098.04</b>	<b>3,985.76</b>

As at March 31, 2021

Particulars	₹ in Crore				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	1,275.02	956.21	647.95	817.95	3,697.13
<b>Total</b>	<b>1,275.02</b>	<b>956.21</b>	<b>647.95</b>	<b>817.95</b>	<b>3,697.13</b>

Material Projects whose completion is overdue or has exceeded its cost compared to its original plan

As at March 31, 2022

Particulars	₹ in Crore				
	To be Completed in				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Development of Vizhinjam International Deepwater Multipurpose Seaport	286.88	272.41	413.08	954.57	1,926.94
<b>Total</b>	<b>286.88</b>	<b>272.41</b>	<b>413.08</b>	<b>954.57</b>	<b>1,926.94</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 3. Property, Plant and Equipment, Right of use assets, other Intangible Assets, Goodwill and Capital Work-in-Progress (Contd...)

As at March 31, 2021

₹ in Crore

Particulars	To be Completed in				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Development of Vizhinjam International Deepwater Multipurpose Seaport	273.57	413.65	430.18	823.78	1,941.18
<b>Total</b>	<b>273.57</b>	<b>413.65</b>	<b>430.18</b>	<b>823.78</b>	<b>1,941.18</b>

### 4. a) Investments accounted using Equity Method

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>In Equity Shares of Joint Venture Entities and Associates</b>		
32,22,31,817 (previous year 32,22,31,817) fully paid Equity Shares of ₹10 each of Adani International Container Terminal Private Limited (refer note 37 (b) and 35 (ii) (a))	-	-
5,93,78,278 (previous year 5,93,78,278) fully paid Equity Shares of ₹10 each of Adani CMA Mundra Terminal Private Limited (refer note 37 (b))	-	-
30,60,000 (previous year 30,60,000) fully paid Equity Shares of ₹10 each of Adani NYK Auto Logistics Solutions Private Limited (refer note 37 (b))	0.73	2.08
2,02,00,000 (previous year 2,02,00,000) fully paid Equity Shares of ₹10 each of Adani Total Private Limited (refer note (iii) (iv) below & note 37 (b))	1,174.85	647.40
25,500 (Previous year Nil) fully paid Equity Shares of ₹10 each of EZR Technologies Private Limited	0.03	-
50,000 (Previous year 50,000) fully paid Equity Shares of ₹10 each of Dighi Roha Rail Limited	0.05	0.05
74,000 (Previous year 64,000) fully paid Equity Shares of ₹10 each of Adani KP Agriwarehousing Private Limited	14.19	-
21,65,86,700 (previous year Nil) fully paid Equity Shares of ₹10 each of Gangavaram Port Limited (refer note (iv) below & 37 (b))	2,800.33	-
	<b>3,990.18</b>	<b>649.53</b>

### b) Other Investments

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Unquoted</b>		
<b>In Equity Shares of Company (Investment at fair value through OCI) (refer note (ii) below)</b>		
5,00,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹10 each of Kutch Railway Company Limited	275.00	262.50
1,73,30,000 (previous year 1,73,30,000) fully paid Equity Shares of ₹10 each of Bharuch Dahej Railway Company Limited	19.05	20.78
Nil (previous year 5,50,000) fully paid Equity Shares of ₹10 each of Mundra Solar Technopark Private Limited (refer note 38 (i) (4))	-	0.94
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of NQXT Port Pty Limited (formerly known as Mundra Port Pty Limited)	-*	-*
14,001 (previous year 14,001) fully paid Equity Shares of ₹10 each of Ambily Technologies Private Limited	0.01	0.01

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 4. Other Investments (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
50,000 (previous year 50,000) fully paid Equity Share of ₹10 each of Mundra LPG Terminal Private Limited	0.05	0.05
50,000 (previous year 50,000) fully paid Equity Share of ₹10 each of Adani Dhamra LPG Terminal Private Limited	0.05	0.05
8,10,00,000 (previous year 8,10,00,000) fully paid Equity Share of ₹10 each of Krishnapatnam Railway Company Limited	70.70	84.70
36,00,000 (previous year 1,99,000) fully paid Equity Share of ₹10 each of Blyth Wind Park Private Limited	7.20	0.20
200 (previous year 200) Fully paid Equity Shares of ₹10 each of Investment in TCP Limited	0.01	0.01
<b>Others (Investment at fair value through OCI)</b>		
Secured Loan to Other Classified as Equity in Nature (refer note (v) below)	230.00	-
<b>Total FVTOCI Investment</b>	<b>602.07</b>	<b>369.24</b>
<b>In Debenture (Valued at amortised cost)</b>		
Nil (previous year 35,15,625) 7.7% Zero Coupon Compulsory Convertible Debentures of ₹20 each of Blyth Wind Park Private Limited	-	7.03
<b>In Government Securities (valued at amortised cost)</b>		
National Savings Certificates (Lodged with Government Department) & others	-*	-*
<b>In preference shares of Joint Venture Entities (Investment at fair value through profit or loss)</b>		
3,10,03,627 (Previous Year - 1,39,16,081) fully paid Compulsorily Convertible Preference shares of ₹225 each of Adani Total Private Limited	191.59	71.59
<b>Other Investment (Investment valued at fair value through profit and loss)</b>		
1,14,203 units (previous year Nil) of Special Infrastructure Investment Scheme of ASSIS	1,129.49	-
	<b>1,923.15</b>	<b>447.86</b>

\* Figures being nullified on conversion to Rs in crore.

#### Notes:

- Aggregate amount of unquoted investments as at March 31, 2022 ₹5,913.33 crore (previous year ₹1,097.39 crore).
- Reconciliation of Fair value measurement of the investments

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Opening Balance	369.24	278.76
Add : Investment made during the year	237.00	115.49
Less:- Reduction on account of Business Combination	(0.55)	
Fair value loss recognised in Other comprehensive income (net)	(3.62)	(25.01)
Closing Balance	<b>602.07</b>	<b>369.24</b>

- Value of Deemed Investment accounted in joint venture entities in terms of fair valuation under Ind AS 109

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Adani Total Private Limited	782.08	264.66

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 4. Other Investments (Contd...)

iv) Movement of Investment accounted using equity method of material joint venture/associate

Particulars	Adani Total Private Limited	Gangavaram Port Limited
	₹ In Crore	₹ In Crore
<b>Opening Carrying value of Investment as on April 01, 2020</b>	632.22	-
Fair Value Adjustments & others	26.32	-
Share of joint venture & associates	(11.14)	-
<b>Closing Carrying Value of Investment as on March 31, 2021</b>	<b>647.40</b>	-
Investment made during the year	-	2,624.88
Fair Value Adjustments & others	476.16	-
Share of joint venture & associates	51.29	175.45
<b>Closing Carrying Value of Investment as on March 31, 2022</b>	<b>1,174.85</b>	<b>2,800.33</b>

V) During the year, the subsidiary company has given loan amounting to ₹196.25 crores and ₹33.75 crores on November 25, 2021 and March 23, 2022 respectively to an Assets Reconstruction Company (ARC)\* to invest into Security receipts of an Assets Reconstruction Trusts (ARC Trusts)# through transaction dated November 25, 2021 and March 23, 2022. The said amounts advanced to ARC are secured by security receipts issued by the ARC Trusts.

Considering requirement of Ind AS 32 – Financial Instruments – Classification and terms of the instrument, the amount advanced has been assessed and classified as 'Equity' in nature and disclosed as Secured Loan classified as Equity in Nature and designated as FVTOCI as the investment is not held for trading purpose and disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

As on March 31, 2022, Management has assessed, on the basis of the fair valuation report of the underlying security receipts, that fair value of the instrument approximates to its carrying value and accordingly, no adjustment is required to be made with regards to change in fair value of the instrument in financial statement for the year ended March 31, 2022.

\* Omkara Assets Reconstruction Private Limited

# Omkara ARC Trusts PS 14-18/ 2021-22

### 5. Trade Receivables

(unsecured, unless otherwise stated)

Particulars	Current portion	
	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Trade Receivables		
Considered good	2,563.10	3,008.81
Credit Impaired	25.83	28.85
	2,588.93	3,037.66
Less : Allowances for expected credit loss ("ECL")	(119.25)	(111.95)
	<b>2,469.68</b>	<b>2,925.71</b>
Customers' Bill Discounted (refer note (c) below)	299.24	539.81
Other Trade Receivables	2,170.44	2,385.90
<b>Total Trade Receivables</b>	<b>2,469.68</b>	<b>2,925.71</b>

Refer note 32 for related party balances

#### Notes:

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

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 5. Trade Receivables (Contd...)

- b) Generally, as per credit terms trade receivables are collectable within 30-60 days although the Group provides extended credit period with interest between 7.5% to 9% considering business and commercial arrangements with the customers including with the related parties.
- c) The Carrying amounts of the trade receivables include receivables amounting to ₹299.24 crore (previous year ₹539.81 crore) which are subject to a bills discounting arrangement. Under this arrangement, the Group has transferred the relevant receivables to the bank / financial institution in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account as per the arrangement. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 18.
- d) Trade receivables ageing schedules

As on March 31, 2022

₹ in Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	1,156.80	835.27	227.20	73.27	28.32	50.94	2,371.80
2	Undisputed Trade receivables - Credit Impaired	-	0.13	1.24	1.58	0.97	10.36	14.28
3	Disputed Trade receivables - Considered good	1.92	10.48	16.91	16.32	48.68	96.99	191.30
4	Disputed Trade receivables - Credit Impaired	-	-	-	-	8.35	3.20	11.55
		<b>1,158.72</b>	<b>845.88</b>	<b>245.35</b>	<b>91.17</b>	<b>86.32</b>	<b>161.49</b>	<b>2,588.93</b>
	Less:- Allowances for expected credit loss ("ECL")							(119.25)
	<b>Total</b>							<b>2,469.68</b>

As on March 31, 2021

₹ in Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	1,575.81	934.10	86.04	90.07	53.18	108.29	2,847.49
2	Undisputed Trade receivables - Credit Impaired	-	0.20	0.99	1.01	1.95	6.91	11.06
3	Disputed Trade receivables - Considered good	1.21	6.30	8.99	48.68	83.12	13.87	162.17

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 5. Trade Receivables (Contd...)

₹ in Crore

Sr No	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
4	Disputed Trade receivables - Credit Impaired	-	-	-	8.35	-	8.59	16.94
		<b>1,577.02</b>	<b>940.60</b>	<b>96.02</b>	<b>148.11</b>	<b>138.25</b>	<b>137.66</b>	<b>3,037.66</b>
	Less:- Allowances for expected credit loss ("ECL")							(111.95)
	<b>Total</b>							<b>2,925.71</b>

### 6. Loans

(Unsecured unless otherwise stated)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Loans to Joint Venture Entities				
- Considered Good	484.41	751.26	61.77	68.00
Loans to others (refer note below)				
- Considered Good	87.00	235.00	1,240.65	1,014.81
	<b>571.41</b>	<b>986.26</b>	<b>1,302.42</b>	<b>1,082.81</b>

#### Note:

Loans/ Inter Corporate deposits given from time to time are based on terms approved by the Finance Committee of the Board of Directors of the Company/the board of Directors of the subsidiary entities as per the Treasury Policy, as permitted by the Articles of Association, and their repayment along with interest are guaranteed by unconditional and irrevocable Letter of Indemnity and Undertaking by a related party. (Refer note 3 to the Statement of Cashflows, Credit Risk section under (B) in note 34.3, and note 32 on Related Parties.)

### 7. Other Financial Assets

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Security deposits (refer note 35(i))				
- Considered good	2,837.54	3,291.97	26.35	235.39
- Considered doubtful	-	-	7.27	7.27
	2,837.54	3,291.97	33.62	242.66
Allowances for doubtful deposit	-	-	(7.27)	(7.27)
	2,837.54	3,291.97	26.35	235.39
Loans and Advances to Employees	1.85	1.62	3.38	3.22
Lease Receivable (refer note (b) below)	1,401.23	1,481.31	58.48	36.68
Interest Accrued	200.27	93.47	360.59	351.51
Non Trade Receivable	-	-	36.60	3.34

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 7. Other Financial Assets (Contd...)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Asset under Service Concession Arrangement	137.26	119.24	17.13	19.77
Derivative Instruments / Forward Contracts Receivable	1.22	-	0.34	15.05
Advance for land consideration (refer note (a) below)	18.18	23.24	5.19	4.77
Insurance Claim Receivables	-	-	15.00	30.00
Gratuity Assets (refer note 29)	-	-	0.21	0.11
	<b>4,597.55</b>	<b>5,010.85</b>	<b>523.27</b>	<b>699.84</b>

**Note:**

- a) Advance for land consideration are payments towards cost of acquisition of land for port development which is acquired and owned by Government of Odisha and leased to one of the subsidiary, the payment of which has been borne by subsidiary. The payments so made by the subsidiary are being adjusted against revenue share dues payable to the government from the commencement date of commercial operations in annual equal instalments over 15 years.
- b) Future minimum lease receivables under finance leases together with the present value of the net minimum lease payments receivable ("MLPR") are as follows:

Particulars	₹ in Crore			
	March 31, 2022		March 31, 2021	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within One Year	157.88	127.63	129.47	120.20
After one year but not later than five years	587.98	383.28	593.28	417.21
More than five years	2,925.97	948.80	3,054.63	980.58
<b>Total minimum lease receivables</b>	<b>3,671.83</b>	<b>1,459.71</b>	<b>3,777.38</b>	<b>1,517.99</b>
Less: Amounts representing finance charges	(2,212.12)	-	(2,259.39)	-
<b>Present value of minimum lease receivables</b>	<b>1,459.71</b>	<b>1,459.71</b>	<b>1,517.99</b>	<b>1,517.99</b>

- c) Inter Corporate Deposits ("ICD") aggregating to ₹199.05 crore extended by the Company to Adani International Container Terminal Private Limited ("AICTPL") is treated as subordinated loan to the Senior Secured USD Notes ("Notes") issued by AICTPL, as per the terms of the Notes (which was also approved by the Company).

Further interest and principal repayment in respect of this shareholder loan or ICDs can be made only from the surplus funds transferred to the Distribution Account by AICTPL in accordance with the Operating Account Waterfall (as defined in the terms of the Notes). As of March 31, 2022, accrued interest receivable on this loan is ₹6.34 crore, the same can be paid by AICTPL only from the surplus funds transferred to the said Distribution Account. The Company being one of the shareholder has agreed the above terms of arrangement and hence non-repayment of interest during the year has not been considered as default.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 8. Other Assets

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Capital advances (refer note (a) & (e) below)	1,042.55	1,009.52	-	-
Balance with Government Authorities (refer note (d) below)	324.29	288.51	259.80	361.67
Prepaid Expenses	17.38	14.23	99.57	99.93
Accrued revenue	-	7.23	72.36	64.90
Contract Assets (refer note (b) below)	-	-	135.83	135.92
Advances recoverable other than in cash				
To others	-	0.02	114.84	230.54
To related parties	-	111.35	4.31	120.24
Deferred Rent	14.22	10.71	-	-
Export benefits and Other receivables (refer note (c) below)	25.00	430.17	-	-
Taxes recoverable (net) (refer note 27)	824.76	630.37	-	-
	<b>2,248.20</b>	<b>2,502.11</b>	<b>686.71</b>	<b>1,013.20</b>

#### Notes:

- Capital advance includes ₹391.90 crore (previous year ₹273.58 crore) paid to various parties and government authorities towards purchase of land.
- 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 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.
- On September 23, 2021 DGFT issued a notification, which restricts the Group's eligibility for SEIS benefits and also restricts the benefit up to ₹5 crore per entity for FY 2019-20, pursuant to which the SEIS receivable amounting to ₹405.19 crore pertaining to FY 2019-20 has been written off during the year and is shown as exceptional item. However, the Group has contested the legality and retrospective application of the said notification.
- Balance with Government Authorities includes ₹10 crore paid to Kamarajar Port Limited ("KPL") as a deposit. (refer note 36(p))
- Capital advance is net of allowances for doubtful advance amounting to ₹10.59 crore (previous year ₹10.59 crore)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 9. Inventories (At lower of cost and Net realisable value)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Stores and Spares, Fuel and Lubricants	-	-	381.19	374.42
Project work in progress (refer note 48)	-	-	-	617.43
	-	-	<b>381.19</b>	<b>991.85</b>

### 10. Current Investments

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Unquoted mutual funds (valued at fair value through profit or loss)</b>		
Nil (previous year 4.78 units) of ₹1000 each in IDFC cash fund Mutual Fund	-	.*
Nil (previous year 1,60,593 units) of ₹3,351.73 each in SBI Mutual Fund	-	53.82
14,29,238.51 units (previous year Nil) of ₹114.61 each in ICICI Prudential Overnight Fund Direct Plan	16.38	-
7,691.12 units (previous year Nil) of ₹3,333.09 each in SBI Premier Liquid Fund - Direct Plan - Growth	2.56	-
83,203.32 units (previous year Nil) of ₹3,461.35 each in SBI Overnight Fund Direct Growth	28.80	-
195.12 units (previous year Nil) of ₹2,747.62 each in Edelweiss Liquid Fund - Direct Plan Growth	0.05	-
Nil (previous year 2,12,744 units) of ₹1,112.93 each in Aditya Birla Mutual Fund	-	23.68
Nil units (previous year 1,21,84,579 units) of ₹110.98 each in ICICI Mutual Fund	-	135.24
<b>Investment in Pass Through Certificate (Valued at Amortised Cost)</b>		
Nil (previous year 1,00,000 units) of Pass Through Certificate	-	926.02
	<b>47.79</b>	<b>1,138.76</b>
.* Figures being nullified on conversion to ₹ in crore		
Aggregate carrying value of unquoted Mutual Funds	47.79	212.74
Aggregate net assets value of unquoted Mutual Funds	47.79	212.74
Aggregate carrying value of unquoted investment in Pass Through Certificate		926.02

### 11. Cash and Bank Balances

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Cash and cash equivalents</b>				
Balance in current account*	-	-	8,391.01	3,686.90
Deposits with original maturity of less than three months	-	-	205.64	510.91
Cash on hand	-	-	0.12	0.23
	-	-	<b>8,596.77</b>	<b>4,198.04</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 11. Cash and Bank Balances (Contd...)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Other bank balances</b>				
Bank Deposit with maturity of more than 12 months	-	6.51	-	-
In Current Account (earmarked for Unpaid Dividend)	-	-	1.96	1.50
Deposits with original maturity over 3 months but less than 12 months	-	-	486.61	474.40
Margin Money Deposits (refer note (i) below)	1,954.49	82.91	1,406.75	26.84
	1,954.49	89.42	1,895.32	502.74
Amount disclosed under Non-Current Financial Assets in Balance Sheet	(1,954.49)	(89.42)	-	-
	-	-	<b>1,895.32</b>	<b>502.74</b>

#### Notes:

- (i) Margin Money Deposits (net of overdraft facilities of ₹2,106.49 crore (Previous year ₹1,961.09 crore)) aggregating to ₹3,361.24 crore (previous year ₹109.75 crore) are pledged / lien against bank guarantees, letter of credit and other credit facilities.
- (ii) For the purpose of Statement of Cash Flows, cash and cash equivalents comprises the following

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Balance in current account	8,391.01	3,686.90
Deposits with original maturity of less than three months	205.64	510.91
Cash on hand	0.12	0.23
<b>Cash and Cash Equivalents as per Balance Sheet*</b>	<b>8,596.77</b>	<b>4,198.04</b>
Cash & Cash Equivalents attributable to Assets held for sale (refer note 39)	23.03	2.93
<b>Cash and Cash Equivalents as per Cash Flow Statement</b>	<b>8,619.80</b>	<b>4,200.97</b>

\* includes cheques realised subsequent to the Balance Sheet date amounting ₹7,819.53 crore (Previous year ₹2,853.26 crore)

### 12. Share Capital

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
<b>Authorised share capital</b>		
<b>Equity share capital</b>		
5,47,50,00,000 (previous year 4,97,50,00,000) Equity Shares of ₹2 each	1,095.00	995.00
<b>Preference share capital</b>		
50,00,000 (previous year 50,00,000) Non-Cumulative Redeemable Preference shares of ₹10 each	5.00	5.00
	<b>1,100.00</b>	<b>1,000.00</b>

#### Notes:

Pursuant to Composite Scheme of Arrangement, the authorized share capital of the Company has automatically stand increased by 50,00,00,000 equity shares upon scheme become effective (refer note 38 (i) (3)).

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 12. Share Capital (Contd...)

₹ in Crore

Particulars	March 31, 2022	March 31, 2021
Issued, subscribed and fully paid-up share capital		
2,11,23,73,230 (previous year 2,03,17,51,761) fully paid up Equity Shares of ₹2 each	422.47	406.35
	<b>422.47</b>	<b>406.35</b>

#### a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2022		March 31, 2021	
	No.	₹ In Crore	No.	₹ In Crore
At the beginning of the year	2,03,17,51,761	406.35	2,03,17,51,761	406.35
Add: Issue of equity shares (refer note (ii) below)	1,00,00,000	2.00	-	-
Add: Issue of equity shares pursuant to Composite Scheme of Arrangement (refer note (iii) below)	7,06,21,469	14.12	-	-
Outstanding at the end of the year	<b>2,11,23,73,230</b>	<b>422.47</b>	<b>2,03,17,51,761</b>	<b>406.35</b>

#### Notes:

##### i) Terms/rights attached to equity shares

The Company has only one class of equity share having par value of ₹2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

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

- ii) On April 19, 2021, the Company has allotted 1,00,00,000 equity shares having face value of ₹2 each on preferential basis to Windy Lakeside Investment Limited at an issue price of ₹800 per share (including premium of ₹798 per share).

#### For the period of five years immediately preceding the date at which the Balance Sheet is prepared:-

- iii) Aggregate number of 7,06,21,469 (upto March 31, 2021: Nil) equity shares of ₹2 each have been allotted, Pursuant to Composite Scheme of Arrangement (refer note 38 (i) (3)).
- iv) Aggregate number of 3,92,00,000 (upto March 31, 2021: 3,92,00,000) equity shares bought back.

#### (b) Equity Component of Non-cumulative Redeemable Preference Shares

Particulars	March 31, 2022		March 31, 2021	
	No.	₹ In Crore	No.	₹ In Crore
At the beginning of the year	25,01,824	166.53	25,01,824	166.53
Add/(Less):- Movement during the year	-	-	-	-
Outstanding at the end of the year	<b>25,01,824</b>	<b>166.53</b>	<b>25,01,824</b>	<b>166.53</b>

##### i) Terms of Non-cumulative Redeemable Preference shares:

- The Company has outstanding 25,01,824 (previous year 25,01,824) 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹10 each issued at a premium of ₹990 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference share holders. These shares are redeemable on March 28, 2024 at an aggregate premium of ₹ 247.68 crore (equivalent to ₹990 per share).

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 12. Share Capital (Contd...)

In the event of liquidation of the Company, the holder of NCRPS (before redemption) will have priority over equity shares in the payment of dividend and repayment of capital. The preference shares carry fixed dividend which is non-discretionary.

- The Preference Shares issued by the Company are classified as Compound Financial Instrument. These preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised as interest expense using the effective interest method.
- The equity component of redeemable preference shares includes the securities premium amount received on issue of preference shares and the preference share capital, redemption premium reserve being created in compliance of the Companies Act, 2013.

#### c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2022		March 31, 2021	
	No.	% Holding in the Class	No.	% Holding in the Class
<b>Equity shares of ₹2 each fully paid</b>				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	37.84%	79,93,53,935	39.34%
ii) Adani Tradeline LLP	13,81,93,549	6.54%	13,81,93,549	6.80%
iii) Flourishing Trade and Investment Limited	11,44,54,607	5.42%	10,38,47,944	5.11%
iv) Life Insurance Corporation of India	20,95,27,194	9.92%	21,88,69,728	10.77%
<b>Non-Cumulative Redeemable Preference Shares of ₹10 each fully paid up</b>				
Priti G. Adani	5,00,365	20.00%	5,00,365	20.00%
Shilin R. Adani	5,00,364	20.00%	5,00,364	20.00%
Pushpa V. Adani	5,00,365	20.00%	5,00,365	20.00%
Ranjan V. Adani	5,00,455	20.00%	5,00,455	20.00%
Suvarna M. Adani	5,00,275	20.00%	5,00,275	20.00%
	<b>25,01,824</b>	<b>100.00%</b>	<b>25,01,824</b>	<b>100.00%</b>

#### d) Details of Equity Shares held by promoter and promoter group at the end of the year

As at March 31, 2022

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Gautambhai Shantilal Adani	1	0.00%	-
Rajeshbhai Shantilal Adani	1	0.00%	-
Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	37.84%	-
Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	30,000	0.00%	-
Adani Properties Private Limited	16,85,000	0.08%	-
Adani Rail Infra Private Limited	7,06,21,469	3.34%	NA
Adani Tradeline LLP	13,81,93,549	6.54%	-
Worldwide Emerging Market Holding Limited	8,60,92,798	4.08%	11%
Afro Asia Trade and Investments Limited	8,99,45,212	4.26%	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 12. Share Capital (Contd...)

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Emerging Market Investments DMCC	8,41,79,195	3.99%	-
Flourishing Trade And Investments Ltd	11,44,54,607	5.42%	10%
<b>Total</b>	<b>1,38,45,55,767</b>	<b>65.55%</b>	

#### As at March 31, 2021

Promoter and Promoter Group Name	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Gautambhai Shantilal Adani	1	0.00%	-
Rajeshbhai Shantilal Adani	1	0.00%	-
Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	79,93,53,935	39.34%	-
Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	30,000	0.00%	-
Adani Properties Private Limited	16,85,000	0.08%	NA
Adani Tradeline LLP	13,81,93,549	6.80%	-
Worldwide Emerging Market Holding Limited	7,77,56,181	3.83%	-
Afro Asia Trade and Investments Limited	8,99,45,212	4.43%	-
Emerging Market Investments DMCC	8,41,79,195	4.14%	-
Flourishing Trade And Investments Ltd	10,38,47,944	5.11%	1454%
Universal Trade and Investments Ltd	-	0.00%	-100%
<b>Total</b>	<b>1,29,49,91,018</b>	<b>63.73%</b>	

#### e) Details of Non-Cumulative Redeemable Preference Shares held by promoter and promoter group at the end of the year

##### As at March 31, 2022

Promoter Group	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Priti G. Adani	5,00,365	20%	-
Shilin R. Adani	5,00,364	20%	-
Pushpa V. Adani	5,00,365	20%	-
Ranjan V. Adani	5,00,455	20%	-
Suvarna M. Adani	5,00,275	20%	-
<b>Total</b>	<b>25,01,824</b>	<b>100%</b>	

##### As at March 31, 2021

Promoter Group	No. of Shares at the end of the year	% of Total Shares	% Change during the year
Priti G. Adani	5,00,365	20%	-
Shilin R. Adani	5,00,364	20%	-
Pushpa V. Adani	5,00,365	20%	-
Ranjan V. Adani	5,00,455	20%	-
Suvarna M. Adani	5,00,275	20%	-
<b>Total</b>	<b>25,01,824</b>	<b>100%</b>	

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 13. Other Equity

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Equity Component of Non Cumulative Redeemable Preference shares</b>		
Opening Balance	166.53	166.53
Change during the year	-	-
Closing Balance	<b>166.53</b>	<b>166.53</b>

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Securities Premium</b>		
Opening Balance	599.56	599.56
Add: Premium on issue of equity shares on preferential basis (refer note 12 (a) (ii))	798.00	-
Add: Premium on issue of equity shares pursuant to Composite Scheme of Arrangement (refer note (12(a) (iii))	4,754.10	-
Closing Balance	<b>6,151.66</b>	<b>599.56</b>

**Note:-**

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The same is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>General Reserve</b>		
Opening Balance	2,765.97	2,719.80
Add- Transfer from Debenture Redemption Reserve	46.16	46.17
Closing Balance	<b>2,812.13</b>	<b>2,765.97</b>

**Note:-**

The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Debenture Redemption Reserve ("DRR")</b>		
Opening Balance	556.69	477.20
Add: Transferred from Retained Earnings	122.21	125.66
Less: Transferred to General Reserve	(46.16)	(46.17)
Closing Balance	<b>632.74</b>	<b>556.69</b>

**Note:-**

The Company has issued redeemable non-convertible debentures. The Company has been creating Debenture Redemption Reserve (DRR) as per the relevant provisions of the Companies Act 2013. However, according to Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Company is not required to create DRR on any fresh issue of Debentures. Accordingly, the Company has not created DRR on fresh issue of redeemable non-convertible debentures.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 13. Other Equity (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Capital Redemption Reserve ("CRR")</b>		
Opening Balance	7.84	7.84
Change during the year	-	-
Closing Balance	<b>7.84</b>	<b>7.84</b>

**Note:-**

As per Companies Act, 2013, Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Tonnage Tax Reserve</b>		
Opening Balance	1,015.88	746.35
Add/(Less): Transferred from Retained Earnings	(24.75)	269.53
Closing Balance	<b>991.13</b>	<b>1,015.88</b>

**Note:-**

Subsidiary companies, The Adani Harbour Services Limited and Shanti Sagar International Dredging Limited have opted for Tonnage Tax Scheme u/s 115V of the Income Tax Act, 1961. Accordingly Section 115 VT of the Income Tax Act, 1961 requires the said companies to create Tonnage Tax Reserve and transfer the amount equivalent to 20% of the book profits of the said companies from retained earnings to Tonnage Tax Reserve and to be utilised only for the purpose as mentioned in the said Act.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Retained Earnings</b>		
Opening Balance	24,875.68	20,292.17
Add : Profit attributable to equity holders of the parent	4,728.09	4,994.30
Less: Transfer from Other Comprehensive Income	-	(14.80)
Less : Dividend on shares	(1,020.88)	-
Less:- Adjustment on acquisition of non-controlling stake	(1,558.08)	-
Less : Transfer to Debenture Redemption reserve	(122.21)	(125.66)
Add/(Less) : Transfer to Tonnage Tax Reserve	24.75	(269.53)
Less : Remeasurement losses on defined benefit plans (net of tax)	(3.29)	(0.80)
Closing Balance	<b>26,924.06</b>	<b>24,875.68</b>

**Note:-**

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

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Capital Reserve</b>		
Opening Balance	5.95	-
Add :-Addition on account of acquisition (refer note 38 (i) (2))	-	5.95
Closing Balance	<b>5.95</b>	<b>5.95</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 13. Other Equity (Contd...)

#### Note:-

The excess of fair value of net assets acquired over consideration paid in business combination is recognised as capital reserve on consolidation. The reserve is not available for distribution.

#### Other Comprehensive Income

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Foreign Currency translation reserve</b>		
Opening Balance	34.16	40.48
Add/(Less):- Change during the year	(101.62)	(6.32)
Closing Balance	<b>(67.46)</b>	<b>34.16</b>

#### Note:-

Exchange differences relating to translation of results and net assets of the group's foreign operations from their functional currencies to the group's presentation currency ( i.e rupees) are recognised directly in other comprehensive income and accumulated in foreign currency translation reserve.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Cash Flow Hedge Reserve</b>		
Opening Balance	(9.77)	(12.12)
Add/(Less):- Share of other comprehensive income of joint venture	33.99	2.35
Closing Balance	<b>24.22</b>	<b>(9.77)</b>

#### Note:-

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Equity instrument through other comprehensive income</b>		
Opening Balance	183.42	179.33
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	(4.69)	(10.71)
Less:- Transfer to retained earnings	-	14.80
Closing Balance	<b>178.73</b>	<b>183.42</b>

#### Note:-

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

<b>Total Other Equity</b>	<b>37,827.53</b>	<b>30,201.91</b>
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#### Dividend Distribution made and proposed

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Cash Dividend on equity shares declared and paid</b>		
Final Dividend for the year ended March 31, 2021 and March 31, 2020 ( ₹5 per share and ₹Nil) on 2,04,17,51,761 equity shares	1,020.88	-
	<b>1,020.88</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 13. Other Equity (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Proposed Dividend on Equity Shares</b>		
Final Dividend for the year ended March 31, 2022 ₹5 per share (Previous year ₹5 per share) on 2,11,23,73,230 equity shares (Previous year 2,04,17,51,761 equity shares)	1,056.19	1,020.88
	<b>1,056.19</b>	<b>1,020.88</b>
<b>Cash Dividend on Preference Shares declared and paid</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	-*	-*
<b>Proposed Dividend on Preference Shares</b>		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	-*	-*

-\* Figure nullified in conversion of ₹ in crore

Proposed dividend on equity shares are in compliance with relevant section of the Companies Act, 2013 which is subject to approval at the annual general meeting and are not recognised as liability.

### 14. Non-Current Borrowings

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Debentures</b>				
15,000 (previous year 15,000) 8.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on April 12, 2030 (refer note (a) below)	1,487.03	1,485.95	-	-
2,520 (previous year 2,520) 9.35% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on July 04, 2026) (refer note (c) below)	251.55	251.46	-	-
16,000 (previous year 16,000) 7.65% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹533.30 crore on October 31, 2025, ₹533.30 crore on October 31, 2026 and ₹533.40 crore on October 30, 2027) (refer note (e) below)	1,589.45	1,587.59	-	-
10,000 (previous year 10,000) 8.22% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹333.30 crore on March 07, 2025, ₹333.30 crore on March 07, 2026 and ₹333.40 crore on March 08, 2027) (refer note (c) below)	1,000.00	1,000.00	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
13,000 (previous year 13,000) 8.24% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹433.30 crore on November 29, 2024, ₹433.30 crore on November 29, 2025 and ₹433.40 crore on November 27, 2026) (refer note (d) below)	1,300.00	1,300.00	-	-
9,000 (previous year 9,000) 6.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable on September 11, 2023 (refer note (a) below)	896.01	893.48	-	-
6,000 (previous year 6,000) 7.25% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹500 crore on May 26, 2023 and ₹100 crore on June 01, 2023 (refer note (f) below)	598.15	596.67	-	-
2,000 (previous year 2,000) 9.35% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable ₹100 crore on May 26, 2023 and ₹100 crore on May 27, 2026) (refer note (a) below)	199.10	198.78	-	-
Nil (previous year 200) 10.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemed during current year) (refer note (b) below)	-	-	-	19.94
Nil (previous year 2,800) 7.5% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured. (Redeemed during current year) (refer note (f) below)	-	-	-	280.00
1,647 (previous year 3,293) 10.50% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at three annual equal instalments commencing from March 02, 2021) (refer note (a) below)	-	164.66	164.66	164.67
10,000 (previous year Nil) 6.25% Non Convertible Redeemable Debentures of ₹10,00,000 each Secured (Redeemable at October 18, 2024) (refer note (g) below)	985.90	-	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Foreign currency Bonds</b>				
4.375% Foreign Currency Bond priced at 238 basis points over the 10 years US Treasury Note (unsecured) (refer note (k) (ii))	5,640.68	5,433.56	-	-
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured) (refer note (k) (i))	3,759.40	3,617.74	-	-
3.375% Foreign Currency Bond priced at 150 basis points over the 5 years US Treasury Note (unsecured) (refer note (k) (iii))	4,908.91	4,725.26	-	-
4.20% Foreign Currency Bond priced at 376 basis points over the 7 years US Treasury Note (unsecured) (refer note (k) (iv))	5,653.58	5,447.13	-	-
3.10% Foreign Currency Bond priced at 205.50 basis points over the 10 years US Treasury Note (unsecured) (refer note (k) (v))	3,755.69	3,618.50	-	-
3.828% Foreign Currency Bond priced at 255 basis points over the 10.50 years US Treasury Note (unsecured) (refer note (k) (vi))	2,238.96	-	-	-
5% Foreign Currency Bond priced at 315.30 basis points over the 20 years US Treasury Note (unsecured) (refer note (k) (vii))	3,356.91	-	-	-
<b>Preference shares</b>				
Liability Component of Compound Financial Instrument - 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12 (b))	115.35	105.83	-	-
<b>Foreign currency loans:</b>				
From banks (secured) (refer note (h), (i), I(i) to I(ii))	387.67	492.70	95.84	151.17
<b>Rupee loans:</b>				
From banks (secured) (refer note j, I(v) to I(xiv))	1,031.62	1,840.98	371.33	448.47
From Financial institutions (unsecured) (refer note (k) (viii))	-	-	-	1.20
From others (unsecured) (refer note I(xv) below)	2.52	2.48	-	-
<b>Foreign currency letters of credit</b>				
From banks (unsecured) (refer note (k) (ix), I(iii) to (iv) below)	533.00	172.76	54.82	-
	<b>39,691.48</b>	<b>32,935.53</b>	<b>686.65</b>	<b>1,065.45</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>The above amount includes</b>				
Secured borrowings	9,726.48	9,812.27	631.83	1,064.25
Unsecured borrowings	29,965.00	23,123.26	54.82	1.20
Amount disclosed under the head Current borrowing (refer note 18)	-	-	(686.65)	(1,065.45)
	<b>39,691.48</b>	<b>32,935.53</b>	-	-

#### Notes:

- a) Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹2,746.80 crore (previous year ₹2,907.54 crore) which are secured by first Pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II project assets.
- b) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹Nil (previous year ₹19.94 crore) which were secured by exclusive mortgage and charge on entire Single Point Mooring (SPM) facilities serving Indian Oil Corporation Limited - Mundra and the first charge over receivables from Indian Oil Corporation Limited. The same has been repaid during financial year 2021-22.
- c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,251.55 crore (previous year ₹1,251.46 crore) which are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Wandh, Mundra Port.
- d) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,300.00 crore (previous year ₹1,300.00 crore) which are secured by first pari-passu charge on specified assets of certain subsidiary companies' and all the immovable and movable project assets of MPT, T-II and CT-II located at Mundra Port.
- e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹1,589.45 crore (previous year ₹1,587.59 crore) are secured by first pari-passu charge on specified assets of one of the subsidiary company.
- f) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹598.15 crore (previous year ₹876.67 crore) are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Mundra Port.
- g) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹985.90 crore (previous year ₹Nil) are secured by first Pari-passu charge on specified assets of one of the subsidiary company.
- h) Foreign currency loan aggregating to ₹18.60 crore (previous year ₹56.83 crore) carries interest @ 6 months EURIBOR plus basis point 95. The above loan has final maturity date as on 26<sup>th</sup> April 2022. The loan is secured by exclusive charge on the Dredgers procured under the facility.
- i) Foreign currency loans aggregating to ₹Nil (previous year ₹18.38 crore) carries interest @ 6 months EURIBOR plus 75 basis point. The loan was secured by exclusive charge on the Cranes purchased under the facility and the same has been repaid during financial year 2021-22.
- j) Rupee term loan amounting to ₹410.81 crore (previous year ₹472.55 crore) carrying interest @ Repo Rate plus spread of 1.35%. The loan is repayable in 8 half yearly structured instalment commencing from December 30, 2020. The loan is secured by first ranking pari-passu charge on the movable and immovable assets of MPT, T-II and CT-II, project assets of the Company located at Mundra Port. .
- k) Unsecured Loan
  - (i) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹3,759.40 crore (previous year ₹3,617.74 crore) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

- (ii) 10 years Foreign Currency Bond of USD 750 million equivalent to ₹5,640.68 crore (previous year ₹5,433.56 crore) carries interest rate at 4.375% p.a. with bullet repayment in the year 2029.
- (iii) 5 years Foreign Currency Bond of USD 650 million equivalent to ₹4,908.91 crore (previous year ₹4,725.26 crore) carries interest rate at 3.375% p.a. with bullet repayment in the year 2024.
- (iv) 7 years Foreign Currency Bond of USD 750 million equivalent to ₹5,653.58 crore (previous year ₹5,447.13 crore) carries interest rate at 4.20% p.a. with bullet repayment in the year 2027.
- (v) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹3,755.69 crore (previous year ₹3,618.50 crore) carries interest rate at 3.10% p.a. with bullet repayment in the year 2031.
- (vi) 10.50 years Foreign Currency Bond of USD 300 million equivalent to ₹2,238.96 crore (previous year ₹Nil) carries interest rate at 3.828% p.a. with bullet repayment in the year 2032.
- (vii) 20 years Foreign Currency Bond of USD 450 million equivalent to ₹3,356.91 crore (previous year ₹Nil) carries interest rate at 5% p.a. with bullet repayment in the year 2041.
- (viii) Rupee Term Loan aggregating to ₹Nil (previous year ₹1.20 crore) carries interest ranging from 4.56 % p.a. to 7.95 % p.a. and same had been repaid during the current year.
- (ix) Trade credit facilities of ₹181.90 crore (previous year ₹Nil). The same is repayable on June 10, 2022 unless maturity date of the same is extended/rolled over.

#### l) Loans taken by the subsidiaries includes:

- (i) Foreign currency term loans from banks amounting to Nil (previous year ₹16.18 crore) taken by Karnavati Aviation Private Limited carries interest rate of libor plus 175 basis point. The loan was secured by hypothecation of Aircraft Legacy 650. The loan has been fully repaid during the current year.
- (ii) Foreign currency Term Loan from Banks taken by Shanti Sagar International Dredging Limited aggregating to ₹464.91 crore (previous year ₹552.48 crore) are secured by way of first ranking exclusive charge over the assets of company committed under agreement, Charge on assets has been created through agreement in favor of Axis Trustee Service Limited acting on behalf of all the lenders. The same carries interest in the range of 6 month EURIBOR Zero ("0") plus 50 basis points. The loans are repayable 6 monthly in 20 equal instalments commencing from May 16, 2018 and final repayment will be done on November 16, 2027.
- (iii) Suppliers Bill Accepted under Foreign Letter of credit facilities taken by The Adani Harbour Services Limited aggregating to ₹Nil (Previous year ₹54.35 crore) carried interest in the range of LIBOR plus 0.30%. The same has been repaid during current year.  
  
Suppliers Bill Accepted under Foreign Letter of credit facilities taken by The Adani Harbour Services Limited aggregating to ₹294.60 crore (Previous year ₹Nil) carries interest in the range of 1 Year JPY LIBOR plus 75 BPS and 1 Year JPY Tibor plus 70 BPS. The Foreign letter of credit outstanding as at March 31, 2022 is repayable within 12 months and maturity is extended as per RBI Guidelines for Capital Goods.
- (iv) Suppliers Bill Accepted under Foreign Letter of credit facilities taken by Adani Vizhinjam Port Private Limited of ₹111.32 crore (Previous year ₹118.41 crore) carries interest of 0.97% (Previous year 1.25%) for the balance usance period. The Foreign letter of credit outstanding as at March 31, 2022, ₹56.50 crore is repayable on May 10, 2022 & ₹54.82 crore is repayable on May 17, 2022, and maturity is extended as per RBI Guidelines for Capital Goods.
- (v) Rupee Term Loan taken by Adani Vizhinjam Port Private Limited of ₹Nil (previous year ₹500 crore) is secured first pari passu on the entire assets, both movable assets and immovable assets, Project assets, current assets both present and future. Also secured by way of Pledge of equity shares held by parent company constituting 30% of the total equity shares of the Company. ROI at 1 Year ICICI MCLR plus Spread 0% repayable in 20 structured quarterly instalments commencing from December 31, 2023. The company has prepaid the loan on 24<sup>th</sup> November, 2021.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

- (vi) Loans from banks taken by The Dhamra Port Company Limited includes secured rupee term loan from banks amounting to Nil (previous year ₹149.63 crore) carrying interest @ 8.00% to 8.75% p.a. and the same has been repaid during the year.

Loans from banks taken by The Dhamra Port Company Limited includes secured rupee term loan from banks amounting to ₹225.00 crore (previous year ₹277.50 crore) payable in 17 variable quarterly instalments upto June 2025 and carries interest @ 6.75% p.a.

The loan is secured by a first pari passu charge on all immovable Property, Plant and Equipments (including lease hold properties), movable fixed assets, non-current assets & current assets (including book debts, operating cash flows, receivables, revenue), intangible assets both present & future and all bank accounts including (Trust & Retention Account and Debt Service Account). Also secured by pledge of equity shares held by parent company representing 30% of the total equity paid up capital of the company.

- (vii) Loan taken by Adani Agri Logistics Limited aggregating to ₹129.18 crore (previous year ₹163.78 crore) is secured by first exclusive charge on mortgage of immovable properties pertaining to the project, first exclusive charge by way of hypothecation of all movable assets, first exclusive charge on book debts, operating cash flows, receivables, commission, revenues of projects, first exclusive charge by way of hypothecation over Escrow Account and DSRA, first charge by way of assignment of project rights. The term loan will be repaid based on monthly instalments as per the loan repayment schedule agreed upon in the sanction letter.

- The Term Loan having sanctioned amount of ₹450 crore carries interest rate ranging from 5.35% p.a. to 5.74% p.a. (previous year 6.00% p.a. to 9.25% p.a.).

- (viii) Rupee Term Loan taken by Adani Hazira Port Limited aggregating to ₹450.00 crore (previous year ₹600.00 crore) carries Repo Rate 4% + 1.35% Spread from May 5, 2021 (Earlier HDFC Bank Repo Rate 4% + 2.05% Spread) payable in 12 consecutive quarterly installments commencing from July, 2021 to April 2024. The Loan from bank is secured first pari passu on the entire assets, both movable assets and immovable assets, intangible assets, current assets including receivables, both present and future.

- (ix) Rupee Term Loan taken by Adani Agri Logistics (Katihar) Limited aggregating to ₹28.45 crore (Previous year ₹28.45 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets. Repayment of loan will be made by a single payment on 29<sup>th</sup> December, 2023 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +2.20% with benchmark 3 month T bill rate being reset on quarterly basis.

Rupee Term Loan taken aggregating to ₹5.53 crore (Previous year Nil) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets. Repayment of loan will be made by a single payment on 31<sup>st</sup> December, 2024 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +1.60% with benchmark 3 month T bill rate being reset on quarterly basis.

- (x) Rupee Term Loan taken by Adani Agri Logistics (Kannauj) Limited aggregating to ₹10.20 crore (Previous year ₹10.20 crore) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on 29<sup>th</sup> December, 2023 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +2.20% with benchmark 3 month T bill rate being reset on quarterly basis.

Rupee Term Loan aggregating to ₹36.78 crore (Previous year Nil) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on 31<sup>st</sup> December, 2024 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +1.60% with benchmark 3 month T bill rate being reset on quarterly basis.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 14. Non-Current Borrowings (Contd...)

- (xi) Rupee Term Loan taken by Adani Agri Logistics (Panipat) Limited aggregating to ₹38.70 crore (Previous year ₹38.70 crore ) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on 29<sup>th</sup> December, 2023 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +2.20% with benchmark 3 month T bill rate being reset on quarterly basis.
- (xii) Rupee Term Loan taken by Adani Agri Logistics (Samastipur) Limited aggregating to ₹20.40 crore (Previous year ₹20.40 crore ) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on 29<sup>th</sup> December, 2023 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +2.20% with benchmark 3 month T bill rate being reset on quarterly basis. Rupee Term Loan aggregating to ₹5.49 crore (Previous year ₹Nil ) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on 31<sup>st</sup> December, 2024 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +1.60% with benchmark 3 month T bill rate being reset on quarterly basis.
- (xiii) Rupee Term Loan taken by Adani Agri Logistics (Darbhanga) Limited aggregating to ₹28.24 crore (Previous year ₹28.24) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on 29<sup>th</sup> December, 2023 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +1.60% with benchmark 3 month T bill rate being reset on quarterly basis.
- (xiv) Rupee Term Loan taken by Adani Agri Logistics (Dhamora) Limited aggregating to ₹14.17 crore (Previous year ₹Nil ) is secured by first exclusive charge on mortgage of immovable properties both present & future pertaining to the project, first exclusive charge by way of hypothecation of all movable assets of the company. Repayment of loan will be made by a single payment on 31<sup>st</sup> December, 2024 with interest debited on monthly basis. The rate of interest is 3 Month T-bill +1.60% with benchmark 3 month T bill rate being reset on quarterly basis.
- (xv) Loan taken by Adinath Polyfills Private Limited aggregating to ₹2.52 crore (previous year ₹2.48 crore) from its related parties.

### 15. Lease Liabilities

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Lease Liabilities (refer note (a) and (b))	1,951.92	715.75	30.53	32.26
	<b>1,951.92</b>	<b>715.75</b>	<b>30.53</b>	<b>32.26</b>

#### Notes:

- (a) Land, Building, Vehicles, Plant & Equipments and Railway Wagons have been taken on lease by the Group. The terms of lease rent are for the period ranging from 3 years to 35 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

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

₹ in crore

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
<b>March 31, 2022</b>						
Minimum Lease Payments	74.34	560.02	4,227.14	4,861.50	(2,879.05)	1,982.45
Finance charge allocated to future periods	43.81	213.81	2,621.43	2,879.05	-	-
Present Value of MLP	30.53	346.21	1,605.71	1,982.45	-	1,982.45
<b>March 31, 2021</b>						
Minimum Lease Payments	67.57	236.98	1,010.55	1,315.10	(567.09)	748.01
Finance charge allocated to future periods	35.31	134.12	397.66	567.09	-	-
Present Value of MLP	32.26	102.86	612.89	748.01	-	748.01

### 16. Other Financial Liabilities

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Derivative Instruments	-	-	13.95	-
Capital creditors and retention money	81.10	87.06	891.21	1,250.03
Other payables (including discounts etc.)	-	-	359.50	290.08
Unpaid Dividends #	-	-	1.96	1.50
Interim Dividend Payable	-	-	-	0.38
Interest accrued but not due on borrowings	82.93	70.49	571.87	502.16
Deposits from Customer	57.67	43.70	48.07	42.35
Financial Guarantees Obligation	5.86	6.36	5.60	3.09
Payables against business combination	-	-	21.64	20.00
Payable against Compulsory Convertible Preference Share	-	-	-	81.54
Put Option Liability	-	-	23.50	23.50
	<b>227.56</b>	<b>207.61</b>	<b>1,937.30</b>	<b>2,214.63</b>

# Not due for credit to "Investors Education & Protection Fund"

#### Notes:

(a) Disclosure with regards to changes in liabilities arising from financing activities - 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.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 16. Other Financial Liabilities (Contd...)

₹ in crore

Particulars	Borrowings (including current maturities) & Interest Accrued but not due	Lease Liabilities	Unpaid Dividend on Equity (including Interim dividend) and Preference Shares	Derivative Contracts	Total
<b>April 1, 2020</b>	<b>30,436.72</b>	<b>606.33</b>	<b>1.73</b>	<b>(120.24)</b>	<b>30,924.54</b>
Cash Flows	3,553.12	(18.10)	(0.23)	(20.94)	3,513.85
Foreign Exchange Movement	(775.95)	-	-	-	(775.95)
Addition of lease obligation	-	16.36	-	-	16.36
Other adjustments	(11.26)	-	-	-	(11.26)
Charged to Profit and Loss	2,129.16	-	-	126.13	2,255.29
Acquisition adjustment	315.77	-	0.38	-	316.15
Classified as held for sale	(60.88)	-	-	-	(60.88)
Bills discounted (net)	(73.24)	-	-	-	(73.24)
<b>March 31, 2021</b>	<b>35,513.44</b>	<b>604.59</b>	<b>1.88</b>	<b>(15.05)</b>	<b>36,104.86</b>
Cash Flows	4,977.65	(59.85)	(1,026.65)	43.13	3,934.28
Foreign Exchange Movement	922.90	-	-	-	922.90
Addition of lease obligation	-	1,437.71	-	-	1,437.71
Other adjustments	8.70	-	-	-	8.70
Charged to Profit and Loss	2,556.27	-	-	(15.69)	2,540.58
Acquisition adjustment	2,668.68	-	-	-	2,668.68
Charged to other equity	-	-	-	-	-
Dividend recognised during the year	-	-	1,026.73	-	1,026.73
Bills discounted (net)	(240.57)	-	-	-	(240.57)
<b>March 31, 2022</b>	<b>46,407.07</b>	<b>1,982.45</b>	<b>1.96</b>	<b>12.39</b>	<b>48,403.87</b>

### 17. Other Liabilities

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Advance from customers (refer note 41)	-	-	871.22	716.01
Deposit from customers	-	-	12.14	12.40
Statutory liabilities	-	-	206.40	207.50
Unearned Income under long term land lease/ Infrastructure usage agreements	509.17	572.64	64.06	64.06
Deferred Income on fair valuation of Deposit taken	27.89	24.32	-	-
Deferred Government Grant (refer note (i) below)	451.15	430.09	14.97	13.26
Deferred Revenue for Service Line Contributions	-	38.74	-	-
Unearned revenue	-	-	78.02	66.44
Contract liabilities (refer note (ii) below)	-	-	377.30	641.52
	<b>988.21</b>	<b>1,065.79</b>	<b>1,624.11</b>	<b>1,721.19</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 17. Other Liabilities (Contd...)

#### Notes:

(i) Movement in Deferred Government Grant

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Opening Balance</b>	443.35	445.46
Add : Addition during the year	37.00	10.84
Less: Amortisation during the year	(14.23)	(12.95)
<b>Closing Balance</b>	<b>466.12</b>	<b>443.35</b>

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

### 18. Current Borrowings

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Current maturities of long term borrowings (refer note 14)	686.65	1,065.45
Short term borrowings from banks (secured) (refer note (a), (g(i)) below)	1,900.00	-
Short term borrowings from banks (unsecured) (refer note (g(ii)) to (g(iii)) below)	492.55	-
Packing Credit Rupee Loan from bank (unsecured) (refer note (c),(d) and (e) below)	900.00	400.00
Commercial paper (Unsecured) (refer note (b) below)	1,782.36	-
	<b>5,761.56</b>	<b>1,465.45</b>
Customers' Bill Discounted (unsecured) (refer note (f) below)	299.24	539.81
	<b>6,060.80</b>	<b>2,005.26</b>

#### Notes:

- Short Term loan aggregating to ₹1,000.00 crore (previous year Rs Nil) is secured by first pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II located at Mundra Port.
- Commercial Paper (CP) aggregating ₹1782.36 (previous year ₹Nil ) carried interest rate 4.25% p.a. The CP have maturity period of 3 months.
- Packing Credit rupee Loan aggregating to ₹Nil (previous year ₹400 crore) linked to 14 day Treasury Bill and same had been repaid during the current year.
- Packing Credit rupee Loan aggregating to ₹400 crore (previous year ₹Nil) linked to 3 month Treasury Bill.
- Packing Credit rupee Loan aggregating to ₹500 crore (previous year ₹Nil) carries interest rate of 4.10% p.a
- Factored receivables of ₹299.24 crore (previous year ₹539.81 crore) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 1 to 12 months period. (refer note 5)
- Loans taken by the subsidiaries includes:
  - Rupee Term Loan taken by Sarguja Rail Corridor Private Limited aggregating to ₹900.00 crore (previous year ₹Nil) carries interest at overnight MCLR 6.45% + 0.25% for Bank of Baroda. The Loan from bank is secured, by way of exclusive charge to the bank, on the entire assets, both movable assets and immovable assets, intangible assets & assignment on the project documents.
  - Short term loan taken by Adani Krishnapatnam Port Limited aggregating to ₹490.00 crore (Previous year ₹Nil ) carries interest for one month T Bill Rate 3.43% + 1% spread.
  - Loan taken by AYN Logistics Infra Private Limited aggregating to ₹2.55 crore (Previous year ₹Nil ) from its related party.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 19. Trade and Other Payables

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Total outstanding dues of micro enterprises and small enterprises	35.24	11.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	944.35	1,002.35
	<b>979.59</b>	<b>1,013.85</b>
Dues to related parties included in above (refer note 32)	74.93	57.88

#### Trade and other payable ageing as on March 31, 2022

₹ in Crore

Sr. No.	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	35.11	0.13	-	-	-	35.24
2	Others	530.97	307.48	102.65	2.99	0.26	944.35
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>566.08</b>	<b>307.61</b>	<b>102.65</b>	<b>2.99</b>	<b>0.26</b>	<b>979.59</b>

#### Trade and other payable ageing as on March 31, 2021

₹ in Crore

Sr. No.	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	11.50	-	-	-	-	11.50
2	Others	432.02	558.82	7.71	0.78	3.02	1,002.35
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>443.52</b>	<b>558.82</b>	<b>7.71</b>	<b>0.78</b>	<b>3.02</b>	<b>1,013.85</b>

### 20. Provisions

Particulars	Non-current portion		Current portion	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
<b>Provision for Employee Benefits</b>				
Provision for gratuity (refer note 29)	23.80	18.64	2.22	1.25
Provision for compensated absences	7.68	7.07	102.61	94.48
	<b>31.48</b>	<b>25.71</b>	<b>104.83</b>	<b>95.73</b>
<b>Other Provisions</b>				
Provision for asset retirement obligation	0.56	0.97	-	-
	<b>32.04</b>	<b>26.68</b>	<b>104.83</b>	<b>95.73</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 21. Revenue from Operations

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Revenue from Contract with customer (refer note (a) below)</b>		
Income from Port Operations (including Port Infrastructure Services)	13,625.68	11,352.75
Utilities Services	117.54	147.42
Aircraft Operations	29.26	23.43
Logistics Services	918.05	691.05
	<b>14,690.53</b>	<b>12,214.65</b>
Lease, Upfront Premium and Deferred Infrastructure Income (refer note (b) and (c) below)	1,105.28	210.85
Income from Export Incentive ( Services Exports from India Scheme)	-	8.04
Other operating income	138.22	116.06
	<b>15,934.03</b>	<b>12,549.60</b>

#### Notes:

#### a) Reconciliation of revenue recognized with Contract Price

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Contract price	15,079.54	12,397.75
<b>Adjustment for:</b>		
Change in Consideration	(14.67)	(3.71)
Refund Liability	(360.36)	(237.45)
Change in value of Contract Assets	(5.25)	45.12
Change in value of Contract Liabilities	(8.73)	12.94
<b>Revenue from Contract with Customer</b>	<b>14,690.53</b>	<b>12,214.65</b>

b) The Company has given various assets on finance lease to various parties. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Land leases include a clause to enable upward revision of the rental charge every 3 years upto 20%. The company has also received one-time income of upfront premium ranging from ₹600 to ₹3000 per Sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹145.98 crore (previous year ₹15.46 crore) including upfront premium of ₹108.78 crore (previous year ₹ 9.32 crore) accrued under such lease have been booked as income in the statement of profit and loss.

c) Assets given under operating lease

The Group has given certain land portions on operating lease. Most of the leases are renewable for further period on mutually agreeable terms.

Some of the subsidiary companies have entered into an agreement with Food Corporation of India (FCI) to design, develop, construct, operate and maintain project facilities for warehousing and transportation of the food grains on Design, Built, Finance, Own and Operate (DBFOO) basis. Under the agreement, the subsidiary company is eligible for revenues based on Annual Guaranteed Tonnage irrespective of the actual usage by FCI.

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
For a period not later than one year	114.32	95.25
For a period later than one year and not later than five years	414.94	481.25
For a period later than five years	939.85	783.98
	<b>1,469.11</b>	<b>1,360.48</b>

The Group has recognised income from operating leases of ₹116.80 crore (previous year ₹99.18 crore)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 22. Other Income

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Interest income on</b>		
Bank Deposits, Inter Corporate Deposits, Security Deposits etc.	1,754.06	1,602.16
Customer dues	21.24	30.35
Finance Lease	105.17	125.66
Dividend income on Non-current Investments	4.01	7.01
Net Gain on Fair value of financial instrument	5.41	12.39
Net Gain on Disposal of Subsidiary/Associate	59.70	92.28
Scrap Sales	101.82	24.16
Unclaimed liabilities / excess provision written back	12.59	5.38
Financial Guarantee Income	4.38	2.71
Amortisation of Government Grant (refer note 17 (i))	14.23	12.95
Miscellaneous Income	72.17	55.18
	<b>2,154.78</b>	<b>1,970.23</b>

### 23. Operating Expenses

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Cargo handling / other charges to contractors (net of reimbursements)	1,722.73	1,357.46
Cost of Construction of Jetty Infrastructure (refer note 48)	592.68	-
Purchase of Power for utilities Business	132.95	166.56
Customer Claims (including Expected Credit Loss) (refer note below)	-	25.00
Railway's Service Charges	681.98	523.97
Tug and Pilotage Charges	77.64	49.73
Maintenance Dredging	9.12	13.01
Repairs to Plant & Equipment	68.95	125.64
Stores, Spares and Consumables	295.52	223.02
Repairs to Buildings	15.39	18.94
Power & Fuel	552.92	351.69
Waterfront Charges	254.46	244.42
Cost of Assets transferred under Finance Lease	8.62	4.20
Cargo Freight and Transportation Expenses	156.56	116.98
Aircraft Operating Expenses	17.36	9.90
Other expenses including Customs Establishment charges	13.89	7.78
Construction expenses under Service Concession Arrangements	28.85	21.19
	<b>4,629.62</b>	<b>3,259.49</b>

#### Note :

During the previous year, Expected credit loss of ₹18.90 crore has been netted of with reversal of operational claim of ₹18.90 crore.

### 24. Employee Benefits Expense

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Salaries, Wages and Bonus	591.27	561.18
Contribution to Provident & Other Funds	18.68	16.46
Gratuity Expense (refer note 29)	8.05	7.73
Staff Welfare Expenses	45.92	29.68
	<b>663.92</b>	<b>615.05</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 25. Finance Costs

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
a) Interest and Bank Charges		
Interest on		
Debentures and Bonds	1,851.11	1,684.60
Loans, Buyer's Credit etc.	575.38	316.64
Lease liabilities	69.52	48.97
Others	22.00	3.21
Bank and other Finance Charges	38.26	75.74
	<b>2,556.27</b>	<b>2,129.16</b>
b) (Gain)/Loss on Derivatives / Swap Contracts (net)	(15.69)	126.13
	<b>2,540.58</b>	<b>2,255.29</b>

### 26. Other Expenses

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Rent Expenses	16.98	11.15
Rates and Taxes	38.69	7.70
Insurance	108.77	82.36
Advertisement and Publicity	25.11	9.73
Other Repairs and Maintenance	78.07	67.93
Legal and Professional Expenses	205.05	140.15
Corporate Support Service Fees	44.55	69.94
IT Support Services	26.67	12.99
Security Services Charges	62.59	55.69
Communication Expenses	43.71	37.00
Electric Power Expenses	3.35	2.08
Travelling and Conveyance	64.08	47.05
Directors' Sitting Fee	0.83	0.61
Commission to Non-executive Directors	1.00	0.94
Charity and Donations	117.48	109.36
Diminution in value of inventories	1.83	2.49
Loss on Sale/Discard of Property, Plant and Equipment (net)	3.52	3.55
Miscellaneous Expenses	47.21	30.90
	<b>889.49</b>	<b>691.62</b>

### 27. Income Tax

The major component of income tax expenses for the year ended March 31, 2022 and March 31, 2021 are as under :-

#### (i) Tax Expense reported in the Consolidated Statement of Profit and Loss

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Current Income Tax</b>		
Current Tax Charges	800.26	1,271.51
<b>Tax (credit) under Minimum Alternative Tax</b>	(160.83)	(130.63)
<b>Deferred Tax</b>		
Relating to origination and reversal of temporary differences	106.49	102.39
	<b>745.92</b>	<b>1,243.27</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 27. Income Tax (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Tax on Other Comprehensive Income ('OCI')</b>		
<b>Deferred tax related to items recognised in OCI during the year</b>		
Tax impact on re-measurement losses on defined benefit plans	(1.57)	(0.54)
Tax impact on net Loss / (Gain) on FVTOCI Equity Investments	1.51	(13.86)
	<b>(0.06)</b>	<b>(14.40)</b>

#### (ii) Balance Sheet Section

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Taxes recoverable (net) (refer note 8)	824.76	630.37
Current Tax Liabilities (net)	(93.92)	(38.49)
	<b>730.84</b>	<b>591.88</b>

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

#### (iii) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Profit before tax	5,541.16	6,292.01
Tax Rate	34.94%	34.94%
At India's Statutory income tax rate	1936.30	2,198.68
<b>Add / (Less) Tax effect of:-</b>		
Expenses not allowable under Tax Law	34.46	37.15
Deduction under chapter VI-A	(483.48)	(310.52)
Share of Profit of Joint Ventures and Associates	(67.39)	4.99
Income charged as per special provision of Income Tax Act, 1961	(405.29)	(420.68)
Income that is exempt from tax	(0.47)	(23.17)
Reversal of deferred tax of Gain on discontinue of associate in OCI	-	15.80
Reversal of tax on Composite scheme of arrangement	(24.54)	-
Indexation on Sale of Non Current Investment	(18.41)	-
Tax Adjustment in respect of previous years	8.45	2.32
MAT Credit of previous period (recognised)/derecognised	131.42	(2.64)
Deferred tax balances due to the change in income tax rate	(13.55)	(2.76)
Effect due to different tax rate	(13.35)	(27.17)
Unused tax losses and tax offsets not recognised as deferred tax assets	66.82	120.52
Effect of previously unrecognised tax losses and unutilised tax credits used to reduce tax expense	(247.86)	(181.04)
Subsidiaries' charged at different tax rates	(175.66)	(191.50)
Others	18.47	23.29
<b>Income tax reported in Statement of Profit and Loss</b>	<b>745.92</b>	<b>1,243.27</b>
<b>Effective tax rate</b>	<b>13.46%</b>	<b>19.76%</b>

#### Geographical Tax Expenses

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
India	731.00	1,226.57
Australia	12.73	16.41
Bangladesh	2.19	0.29

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 27. Income Tax (Contd...)

#### (iv) Deferred Tax Liability (net)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
(Liability) on Accelerated depreciation for tax purpose	(3,366.17)	(3,086.75)	(279.42)	(65.77)
Assets on Provision for Employee Benefits	19.54	11.51	8.03	3.84
Assets on unrealised intra-group profit	228.25	230.33	(2.08)	2.49
(Liability) on fair valuation gain on account of dilution of stake in Subsidiary	(109.31)	(109.31)	-	-
Assets on account of unabsorbed losses/depreciation	1,737.05	1,563.59	173.46	(35.82)
(Liability) on finance lease receivables	(256.07)	(104.96)	(151.11)	(2.73)
(Liability) on Preference Share debt component	(33.34)	(36.68)	3.34	3.05
Assets on fair valuation of Corporate and Bank Guarantee	2.94	3.37	(0.43)	1.63
(Liability) on Deemed Investments	(11.48)	(11.08)	(0.40)	(4.84)
(Liability) on Business Combination adjustment (refer note 38 (i)(c))	(2,056.78)	(1,244.48)	85.69	8.49
(Liability) on SCA receivables/ Intangible assets	(36.48)	(27.01)	(9.47)	3.47
(Liability) on Equity investment at FVTOCI	(38.18)	(36.67)	(1.51)	(1.96)
(Liability) on CSR expense carry forward	-	(5.59)	5.59	(5.59)
Asset on upfront infrastructure income being taxed on receipts	59.15	-	59.15	-
Classified as held for sale	-	-	-	(2.56)
Forex Impact on Conversion of Foreign operations	-	-	0.18	0.88
Adjustment on Loss of control of subsidiary	-	-	1.98	-
Assets on other adjustments	38.60	38.03	0.57	7.43
	<b>(3,822.28)</b>	<b>(2,815.70)</b>	<b>(106.43)</b>	<b>(87.99)</b>

#### Note:-

- i) During the previous year, one of the subsidiary has shifted to New tax regime and consequently has written off MAT credit amounting to ₹6.33 crore.

#### (v) Deferred Tax reflected in the Balance Sheet as follows

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Deferred Tax Assets (net)	994.38	881.73
Deferred Tax Liabilities (net)	(2,207.34)	(1,203.16)
	<b>(1,212.96)</b>	<b>(321.43)</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 27. Income Tax (Contd...)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
<b>Component of Deferred Tax Assets / (Liabilities)</b>		
Tax Credit Entitlement under MAT	2,609.32	2494.27
Less :Deferred tax liabilities (net)	(3,822.28)	(2,815.70)
	<b>(1,212.96)</b>	<b>(321.43)</b>

#### (vi) Deferred tax liabilities (net)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Tax expenses during the period recognised in Statement of Profit and Loss	106.49	102.39
Tax expenses during the period recognised in OCI	(0.06)	(14.40)
	<b>106.43</b>	<b>87.99</b>

MAT credit of ₹187.23 crore (previous year ₹146.98 crore) has been recognised in subsidiary entities Adani Petronet (Dahej) Port Private Limited, Adani Agri Logistics (Katihar) Limited and Adani Hazira Port Limited.

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

Financial Year	Amount (₹ in crore)	Expiry Year
2009-10	53.81	2024-25
2010-11	38.77	2025-26
2011-12	24.31	2026-27
2012-13	81.25	2027-28
2013-14	57.26	2028-29
2014-15	366.19	2029-30
2015-16	722.56	2030-31
2016-17	444.91	2031-32
2017-18	156.83	2032-33
2018-19	218.42	2033-34
2019-20	109.91	2034-35
2020-21	147.84	2035-36
2021-22	187.26	2036-37
<b>Total</b>	<b>2,609.32</b>	

(viii) Certain subsidiary companies have carried forward unabsorbed depreciation aggregating ₹1,723.98 crore (Previous year ₹2,753.11 crore) under the Income Tax Act,1961 for which there is no expiry date of its tax credit utilisation by the respective entities. Further certain subsidiary companies have carried forward losses aggregating ₹1,755.33 crore (previous year ₹848.14 crore) under the Income Tax Act, 1961, which gets expired within 8 years of the respective year.

The carried forward losses will get expired mainly during the years as follows:

Financial Year	Amount (₹ in crore)	Expiry Year
2014-15	82.09	2022-23
2015-16	245.52	2023-24
2016-17	163.14	2024-25
2017-18	182.34	2025-26
2018-19	373.34	2026-27
2019-20	195.66	2027-28
2020-21	386.21	2028-29
2021-22	127.03	2029-30
<b>Total</b>	<b>1,755.33</b>	

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 27. Income Tax (Contd...)

Deferred tax assets have not been recognised in respect of these unabsorbed losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

(ix) Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that earnings of the subsidiary will not be distributed in the foreseeable future and the company controls the timing of reversal of this temporary differences.

### 28. Earnings Per Share (EPS)

Particulars	March 31, 2022	March 31, 2021
	₹ In Crore	₹ In Crore
Profit for the year attributable to Equity holders of the parent	4,728.09	4,994.30
Less : Dividends on Non-Cumulative Redeemable Preference Shares	.*	.*
Net profit for calculation of basic and diluted EPS	<b>4,728.09</b>	<b>4,994.30</b>
.* Figures being nullified on conversion to ₹ in crore.		
	No.	No.
Weighted average number of equity shares in calculating basic and diluted EPS	2,11,18,80,079	2,03,17,51,761
Basic and Diluted Earnings per Share (in ₹)	<b>22.39</b>	<b>24.58</b>

### 29. Disclosures as required by Ind AS - 19 Employee Benefits

a) The Group has recognised, in the Consolidated Statement of Profit and Loss for the current year, an amount of ₹17.77 crore (Previous Year ₹16.25 crore) as expenses under the following defined contribution plan.

Contribution to	₹ in crore	
	March 31, 2022	March 31, 2021
Provident Fund	17.62	16.07
Superannuation Fund	0.15	0.18
<b>Total</b>	<b>17.77</b>	<b>16.25</b>

b) The Group has a defined gratuity plan. Under the plan every employee who has completed at least five years of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Companies in form of a qualifying insurance policy for future payment of gratuity to the employees.

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

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

#### Gratuity

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

Particulars	₹ in crore	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the beginning of the year	61.72	46.36
Current service cost	7.28	7.17
Interest cost	4.11	3.78
Actuarial (gain) / loss arising from and including OCI:		
- change in demographic assumptions	(0.79)	(1.02)
- change in financial assumptions	6.22	0.01
- experience variance	(0.52)	0.55

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 29. Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

Particulars	₹ in crore	
	March 31, 2022	March 31, 2021
Benefits paid	(5.80)	(6.26)
Liability Transfer In- Business acquisition adjustment	0.19	12.04
Liability Transfer In/(out)	(2.88)	(0.91)
Present value of the defined benefit obligation at the end of the year	<b>69.53</b>	<b>61.72</b>

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

Particulars	₹ in crore	
	March 31, 2022	March 31, 2021
Fair value of plan assets at the beginning of the year	41.94	40.85
Investment income	2.77	2.83
Contributions by employer		0.35
Benefits paid	(0.53)	(0.77)
Return on plan assets , excluding amount recognised in net interest expense	(0.05)	(1.80)
Acquisition Adjustment	(0.41)	0.48
Fair value of plan assets at the end of the year	<b>43.72</b>	<b>41.94</b>

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

Particulars	₹ in crore	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the end of the year	69.53	61.72
Fair value of plan assets at the end of the year	43.72	41.94
Amount recognised in the balance sheet	(25.81)	(19.78)
Net asset - Current (Refer note 7)	0.21	0.11
Net liability - Current (Refer note 20)	(2.22)	(1.25)
Net liability - Non-current (Refer note 20)	<b>(23.80)</b>	<b>(18.64)</b>

#### iv) Expense recognised in the statement of profit and loss for the year

Particulars	₹ in crore	
	March 31, 2022	March 31, 2021
Current service cost	7.28	7.17
Interest cost on benefit obligation	1.34	0.95
Amount capitalised	(0.57)	(0.39)
Total Expense included in employee benefits expense	<b>8.05</b>	<b>7.73</b>

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

Particulars	₹ in crore	
	March 31, 2022	March 31, 2021
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(0.79)	(1.02)
- change in financial assumptions	6.22	0.01
- experience variance	(0.52)	0.55
Amount capitalised	(0.10)	-
Return on plan assets, excluding amount recognised in net interest expense	0.05	1.80
Recognised in other comprehensive income	<b>4.86</b>	<b>1.34</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 29. Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

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

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

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

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

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

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

As the gratuity fund is managed by life insurance companies, details of fund invested by insurer are not available with the Group.

### viii) Sensitivity Analysis

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

Quantitative sensitivity analysis for significant assumption is as below

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

Particulars	March 31, 2022		March 31, 2021	
	Discount rate		Discount rate	
Assumptions	Discount rate		Discount rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	₹ in Crore	₹ in Crore	₹ in Crore	₹ in Crore
	(4.98)	5.66	(9.39)	11.58

Particulars	March 31, 2022		March 31, 2021	
	Salary Growth rate		Salary Growth rate	
Assumptions	Salary Growth rate		Salary Growth rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	₹ in Crore	₹ in Crore	₹ in Crore	₹ in Crore
	5.44	(4.89)	11.34	(9.45)

Particulars	March 31, 2022		March 31, 2021	
	Attrition rate		Attrition rate	
Assumptions	Attrition rate		Attrition rate	
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
Impact on defined benefit obligations	₹ in crore	₹ in crore	₹ in crore	₹ in crore
	(3.56)	5.63	(1.36)	2.00

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 29. Disclosures as required by Ind AS - 19 Employee Benefits (Contd...)

Particulars	March 31, 2022		March 31, 2021	
	Mortality rate		Mortality rate	
Sensitivity level	10% Increase	10% Decrease	10% Increase	10% Decrease
Impact on defined benefit obligations	₹ in Crore (0.02)	₹ in Crore 0.02	₹ in Crore (0.10)	₹ in Crore 0.10

#### ix) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2022	March 31, 2021
Weighted average duration (based on discounted cash flows)	8 years	7 years

#### x) The Following payments are expected contributions to the defined benefit plan in future years:

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Within the next 12 months (next annual reporting period)	7.74	9.19
Between 2 and 5 years	26.92	22.79
Between 5 and 10 years	32.34	24.78
Beyond 10 years	63.91	39.21
<b>Total Expected Payments</b>	<b>130.91</b>	<b>95.97</b>

The Group expects to contribute ₹28.25 crore to gratuity fund in the financial year 2022-23. ( previous year ₹12.34 crore)

#### xi) Asset-Liability Matching Strategies

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

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

## 30. Segment Information

### Operating Segments

The identified reportable Segments are (i) Port and SEZ activities which includes developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure at contiguous Special Economic Zone and (ii) others in terms of Ind-AS 108 "Operating Segments" as notified under section 133 of the Companies Act 2013. Other Segment mainly includes Aircraft Operating Income, Utilities services, Warehousing and transportation of food grains, Container Trains Services on specific Railway Routes and Multi-modal Cargo storage cum logistics services through development of Inland Container Depots at various strategic locations in terms of concession agreement from Ministry of Railways.

### Identification of Segments

The chief operating decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

### Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 30. Segment Information(Contd...)

#### Segment assets and Liabilities

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, other intangible assets, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

#### Inter Segment transfer

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

Summary of segment information is given below

Particulars	₹ in crore			
	Port and SEZ activities	Others	Eliminations	Total
<b>Revenue</b>				
External Sales	<b>14,143.17</b>	<b>1,790.86</b>		<b>15,934.03</b>
	11,428.85	1,120.75		12,549.60
Inter-Segment Sales	<b>71.30</b>	<b>101.33</b>	<b>(172.63)</b>	<b>-</b>
	76.25	92.92	(169.17)	-
<b>Total Revenue</b>	<b>14,214.47</b>	<b>1,892.19</b>	<b>(172.63)</b>	<b>15,934.03</b>
	11,505.10	1,213.67	(169.17)	12,549.60
<b>Results</b>				
Segment Results	<b>6,826.97</b>	<b>88.17</b>		<b>6,915.14</b>
	6,004.23	(28.69)		5,975.54
Unallocated Corporate Income (Net of expenses)				<b>(713.87)</b>
				813.59
<b>Operating Profit</b>	<b>6,826.97</b>	<b>88.17</b>		<b>6,201.27</b>
	6,004.23	(28.69)		6,789.13
Less: Finance Expense				<b>2,540.58</b>
				2,255.29
Add: Interest Income				<b>1,880.47</b>
				1,758.17
Profit before tax				<b>5,541.16</b>
				6,292.01
Tax Expense				<b>745.92</b>
				1,243.27
<b>Profit after tax</b>				<b>4,795.24</b>
				5,048.74
Less: Non-controlling Interest				<b>67.15</b>
				54.44
<b>Net profit</b>				<b>4,728.09</b>
				4,994.30
<b>Other Information</b>				
Segment Assets	<b>63,100.24</b>	<b>15,571.58</b>		<b>78,671.82</b>
	60,161.60	7,108.21		67,269.81
Unallocated Corporate Assets				<b>14,307.46</b>
				7,838.99
Assets Held for sale				<b>1,898.48</b>
				354.86

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 30. Segment Information (Contd...)

Particulars	Port and SEZ activities	Others	Eliminations	₹ in crore
				Total
<b>Total Assets</b>				<b>94,877.76</b>
				75,463.66
Segment Liabilities	<b>6,753.90</b>	<b>510.93</b>		<b>7,264.83</b>
	6,073.03	492.84		6,565.87
Unallocated Corporate Liabilities				<b>48,664.80</b>
				36,710.06
Liabilities associated with Assets Held for Sale				<b>305.36</b>
				114.54
<b>Total liabilities</b>				<b>56,234.99</b>
				43,390.47
Capital Expenditure during the year	<b>3,569.50</b>	<b>179.67</b>		<b>3,749.17</b>
	1,837.16	116.35		1,953.51
Segment Depreciation and amortisation	<b>2,270.08</b>	<b>469.55</b>		<b>2,739.63</b>
	1,918.19	189.15		2,107.34
Major Non-Cash Expenses other than Depreciation and amortisation (net)	<b>420.88</b>			<b>420.88</b>
	36.96			36.96
Unallocated Major Non-Cash Expenses other than Depreciation and amortisation (net)				<b>917.91</b>
				(729.14)

Previous year figures are in italics

#### Additional information regarding the Company's geographical segments:

Particulars	Revenue from External Customers		Non Current Assets	
	For the year ended March 31, 2022	For the year ended March 31, 2021	As at March 31, 2022	As at March 31, 2021
	India	15,294.34	11,990.72	60,038.20
Outside India	639.69	558.88	3,006.77	1,061.19

There is no transaction with single external customer which amounts to 10% or more of the Group's revenue.

#### 31. Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary/Step down subsidiary companies as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2022	Proportion of Ownership Interest (%) March 31, 2021
1	Adani Logistics Limited	India	100	100
2	Karnavati Aviation Private Limited	India	100	100
3	MPSEZ Utilities Limited (Formerly known as MPSEZ Utilities Private Limited) (Upto December 15, 2021)	India	-	100
4	Mundra SEZ Textile and Apparel Park Private Limited	India	55	55
5	Adani Murmugao Port Terminal Private Limited	India	100	100
6	Mundra International Airport Private Limited	India	100	100
7	Adani Hazira Port Limited (Formerly known as Adani Hazira Port Private Limited)	India	100	100

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 31. Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary (Contd...)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2022	Proportion of Ownership Interest (%) March 31, 2021
8	Adani Petronet (Dahej) Port Private Limited**	India	74	74
9	Hazira Infrastructure Limited (Formerly known as Hazira Infrastructure Private Limited)	India	100	100
10	Madurai Infrastructure Private Limited	India	100	100
11	Adani Vizag Coal Terminal Private Limited	India	100	100
12	Adani Kandla Bulk Terminal Private Limited (refer note (a) below)	India	100	100
13	Adani Warehousing Services Private Limited	India	100	100
14	Adani Ennore Container Terminal Private Limited	India	100	100
15	Adani Hospitals Mundra Private Limited	India	100	100
16	The Dhamra Port Company Limited	India	100	100
17	Shanti Sagar International Dredging Limited (Formerly known as Shanti Sagar International Dredging Private Limited)	India	100	100
18	Abbot Point Operations Pty Limited	Australia	100	100
19	Adani Vizhinjam Port Private Limited	India	100	100
20	Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)	India	100	100
21	Abbot Point Bulkcoal Pty Limited	Australia	100	100
22	The Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Private Limited)	India	100	100
23	Dholera Infrastructure Private Limited (refer note 2.4)	India	49	49
24	Dholera Port and Special Economic Zone Limited (refer note 2.4)	India	49	49
25	Adinath Polyfills Private Limited	India	100	100
26	Adani Ports Technologies Private Limited (Formerly known as Mundra International Gateway Terminal Private Limited)	India	100	100
27	Coastal International Terminals Pte Limited (Formerly known as Adani International Terminals Pte. Limited)	Singapore	100	100
28	Blue Star Realtors Limited (Formerly known as Blue Star Realtors Private Limited)	India	100	100
29	Mundra Crude Oil Terminal Private Limited (Formerly known as Adani Bhavanapadu Port Private Limited)	India	100	100
30	Marine Infrastructure Developer Private Limited	India	97	97
31	Anchor Port Holding Pte Limited (Formerly known as Adani Mundra Port Holding Pte. Limited)	Singapore	100	100

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 31. Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary (Contd...)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2022	Proportion of Ownership Interest (%) March 31, 2021
32	Pearl Port Pte. Limited (Formerly known as Adani Mundra Port Pte. Limited)	Singapore	100	100
33	Noble Port Pte. Limited (Formerly known as Adani Abbot Port Pte. Limited)	Singapore	100	100
34	Adani Yangon International Terminal Company Limited	Myanmar	100	100
35	Dermot Infracon Private Limited	India	100	100
36	Adani Agri Logistics Limited	India	100	100
37	Adani Agri Logistics (MP) Limited	India	100	100
38	Adani Agri Logistics (Harda) Limited	India	100	100
39	Adani Agri Logistics (Hoshangabad) Limited	India	100	100
40	Adani Agri Logistics (Satna) Limited	India	100	100
41	Adani Agri Logistics (Ujjain) Limited	India	100	100
42	Adani Agri Logistics (Dewas) Limited	India	100	100
43	Adani Agri Logistics (Katihar) Limited	India	100	100
44	Adani Agri Logistics (Kotkapura) Limited	India	100	100
45	Adani Agri Logistics (Kannauj) Limited	India	100	100
46	Adani Agri Logistics (Panipat) Limited	India	100	100
47	Adani Agri Logistics (Raman) Limited	India	100	100
48	Adani Agri Logistics (Nakodar) Limited	India	100	100
49	Adani Agri Logistics (Barnala) Limited	India	100	100
50	Adani Agri Logistics (Bathinda) Limited	India	100	100
51	Adani Agri Logistics (Mansa) Limited	India	100	100
52	Adani Agri Logistics (Moga) Limited	India	100	100
53	Adani Warehousing Limited (Formerly known as Adani Agri Logistics (Borivali) Limited)	India	100	100
54	Adani Agri Logistics (Dahod) Limited	India	100	100
55	Adani Agri Logistics (Dhamora) Limited	India	100	100
56	Adani Agri Logistics (Samastipur) Limited	India	100	100
57	Adani Agri Logistics (Darbhanga) Limited	India	100	100
58	Adani Tracks Management Services Private Limited (demerged pursuant to scheme of Arrangement (refer note 38 (i) (3))	India	-	100
59	Dhamra Infrastructure Private Limited (formerly known as Welspun Orissa Steel Private Limited)	India	100	100
60	Adani Logistics Services Private Limited (formerly known as Innovative B2B Logistics Solutions Private Limited)	India	98.40	98.29
61	Adani Noble Private Limited (formerly known as Noble Tradecon Private Limited)	India	98.40	98.29
62	Adani Forwarding Agent Private Limited (formerly known as B2B Forwarding Agent Private Limited)	India	98.40	98.29
63	Adani Cargo Logistics Private Limited (formerly known as B2B Innovative Cargo Private Limited)	India	98.40	98.29

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 31. Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary (Contd...)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2022	Proportion of Ownership Interest (%) March 31, 2021
64	Adani Logistics Infrastructure Private Limited (formerly known as Minion Infrastructure Private Limited)	India	98.40	98.29
65	Bowen Rail Operations Pte Limited (upto July 14, 2021)	Singapore	-	100
66	Adani Pipelines Private Limited	India	100	100
67	Bowen Rail Company Pty Limited (upto July 14, 2021)	Australia	-	100
68	Adani Bangladesh Ports Private Limited	Bangladesh	100	100
69	Adani Krishnapatnam Port Limited (Formerly known as Krishnapatnam Port Company Limited) (acquired on October 01, 2020)	India	100	75
70	Adani Krishnapatnam Container Terminal Private Limited (Formerly known as Navayuga Container Terminal Private Limited) (acquired on October 01, 2020)	India	100	75
71	Adani KP Agriwarehousing Private Limited (Formerly known as Krishnapatnam Agriwarehousing Company Private Limited) (acquired on October 01, 2020) ( up to December 31, 2021)*	India	-	48
72	Dighi Port Limited (acquired on February 15, 2021)	India	100	100
73	Adani Logistics International Pte. Limited (incorporated on July 13, 2020)	Singapore	100	100
74	Aqua Desilting Private Limited (incorporated on February 19, 2021)	India	100	100
75	Shankheshwar Buildwell Private Limited (acquired on March 30, 2021)	India	100	100
76	Sulochana Pedestal Private Limited (acquired on March 31, 2021)	India	100	100
77	NRC Limited (acquired on March 31, 2021)	India	100	100
78	Adani International Ports Holdings Pte Ltd (incorporated on June 16, 2021)	Singapore	100	N.A.
79	AYN Logistics Infra Private Limited (acquired on May 04, 2021)	India	100	N.A.
80	Adani Gangavaram Port Private Limited (incorporated on July 14, 2021)	India	100	N.A.
81	Adani Tracks Management Services Private Limited (Formerly known as Sarguja Rail Corridor Private Limited) (Acquired effectively from April 01, 2021) (refer note 38 (i) (3))	India	100	N.A.
82	Seabird Distriparks (Krishnapatnam) Private Limited (acquired on January 29, 2022)	India	100	N.A.
83	HDC Bulk Terminal Limited (incorporated on March 07, 2022)	India	100	N.A.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 31. Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary (Contd...)

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2022	Proportion of Ownership Interest (%) March 31, 2021
84	Mundra Solar Technopark Private Limited (acquired on March 30, 2022) (refer note 2.4)	India	49	N.A.
85	Colombo West International Terminal (Private) Limited (incorporated on April 28, 2021)	Sri Lanka	51	N.A.

Adani Ports and Special Economic Zone Limited's share in the voting power in joint venture and associate entities as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2022	Proportion of Ownership Interest (%) March 31, 2021
1	Adani International Container Terminal Private Limited	India	50	50
2	Adani CMA Mundra Terminal Private Limited	India	50	50
3	Adani NYK Auto Logistics Solutions Private Limited	India	51	51
4	Adani Total Private Limited (Formerly known as Adani Petroleum Terminal Private Limited)	India	50	50
5	Dhamra LNG Terminal Private Limited	India	50	50
6	Total Adani Fuels Marketing Private Limited	India	50	50
7	Dighi Roha Rail Limited (acquired on February 15, 2021)	India	50	50
8	Gangavaram Port Limited (w.e.f April 16, 2021)	India	41.90	N.A.
9	Gangavaram Port Services (India) Private Limited (w.e.f April 16, 2021)	India	41.90	N.A.
10	Adani KP Agriwarehousing Private Limited (Formerly known as Krishnapatnam AgriWarehousing Company Private Limited) (w.e.f January 01, 2022)* (refer note 2.4)	India	74	N.A.
11	EZR Technologies Private Limited (incorporated on December 14, 2021)	India	51	N.A.

\* Accounted using equity method w.e.f January 01, 2022.

\*\* The Company has power over the entity and ability to affect its return and hence considered it as subsidiary.

#### Note a) :

During the year 2016-17, the Company has accounted for purchase of 3,12,13,000 numbers of equity shares in Adani Kandla Bulk Terminal Private Limited at consideration of ₹31.21 crore. The equity shares have been purchased from the Adani Enterprises Limited, a group company whereby this entity has become a wholly owned subsidiary. As per the management, the transfer has been recorded based on Irrevocable Letter of Affirmation dated March 31, 2017 from the seller and acceptance by the Company although legal transfer of equity share of Adani Kandla Bulk Terminal Private Limited is still in process at year end.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures

**Related parties with whom transactions have taken place.**

<b>Joint Venture &amp; Associate Entities</b>	Adani International Container Terminal Private Limited
	Adani CMA Mundra Terminal Private Limited
	Adani NYK Auto Logistics Solutions Private Limited
	Adani Total Private Limited ("ATPL")
	Gangavaram Port Limited
	Dhamra LNG Terminal Private Limited (Subsidiary of ATPL)
	Adani KP Agriwarehousing Private Limited (w.e.f January 01, 2022)
<b>Key Management Personnel and their relatives</b>	Mr. Gautam S. Adani - Chairman and Managing Director
	Mr. Rajesh S. Adani - Director
	Mr. Karan G. Adani - Whole-time Director & Chief Executive Officer
	Dr. Malay Mahadevia - Wholetime Director (upto May 31, 2021), Director (w.e.f June 01, 2021)
	Prof. G. Raghuram - Independent Non-Executive Director
	Mr. Gopal Krishna Pillai - Independent Non-Executive Director
	Mr. Mukesh Kumar - Nominee Director (upto May 22, 2020)
	Mrs. Nirupama Rao - Independent Non-Executive Director
	Mr. Bharat Sheth - Independent Non-Executive Director
	Mr. Palamadai Sundararajan Jayakumar Independent Non-Executive Director (w.e.f July 23, 2020)
	Mrs. Avantika Singh Aulakh IAS, Nominee Director (w.e.f September 15, 2020)
Mr. Deepak Maheshwari - Chief Financial Officer (upto May 05, 2021)	
Mr. Kamlesh Bhagia - Company Secretary	
<b>Entities over which (i) Key Management Personnel and their relatives &amp; (ii) entities having significant influence over the Company have control or are under significant influence through voting powers</b>	Adani Foundation
	Adani Properties Private Limited
	Delhi Golf Link Properties Private Limited
	Adani Townships and Real Estate Company Private Limited
	Adani Infrastructure and Developers Private Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Adani Green Energy Limited
	Adani Total Gas Limited
	Adani Global FZE
	Adani Infra (India) Limited
	Adani Road Transport Limited
	Adani Infrastructure Management Services Limited
	Adani Power (Mundra) Limited
	Adani Power Limited
	Adani Power Maharashtra Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	Adani Power Rajasthan Limited
	Adani Wilmar Limited
	Kutch Copper Limited
	Belvedere Golf and Country Club Private Limited
	Vishakha Renewable Private Limited
	Adani-Elbit Advanced Systems India Limited
	Sunanda Agri Trade Private Limited
	Adani Skill Development Centre
	Adani Electricity Mumbai Limited

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

<b>Entities over which (i) Key Management Personnel and their relatives &amp; (ii) entities having significant influence over the Company have control or are under significant influence through voting powers</b>	Adani Global Pte Limited
	Adani Renewable Energy (KA) Limited
	Wardha Solar (Maharashtra) Private Limited
	Adani Finserve Private Limited
	Vishakha Solar Films Private Limited
	Adani Estate Management Private Limited
	Mundra LPG Terminal Private Limited
	Adani Dhamra LPG Terminal Private Limited
	Talabira (Odisha) Mining Private Limited
	Adani Institute for Education and Research
	Shantigram Utility Services Private Limited
	Adani Capital Private Limited
	Raigarh Energy Generation Limited
	Udupi Power Corporation Limited
	Mundra Synenergy Limited
	Raipur Energen Limited
	Adani Agri Fresh Limited
	Bailadila Iron Ore Mining Private Limited
	Gare Palma II Collieries Private Limited
	Gare Palma III Collieries Limited
	Kurmitar Iron Ore Mining Private Limited
	Sarguja Rail Corridor Private Limited (up to March 31, 2021)
	Adani Solar Energy Kutchh Two Private Limited
	Ahmedabad International Airport Limited
	Adani Solar USA Inc.,
	Mangaluru International Airport Limited
	Lucknow International Airport Limited
	Adani Airport Holdings Limited
	Adani Brahma Synergy Private Limited
	Carmichael Rail Network Pty Limited
	Adani Mining Pty Limited
	Parsa Kente Collieries Limited
	Mundra Solar PV Limited
	Mundra Solar Technopark Private Limited (up to March 29, 2022)
	Adani Australia Pty Limited
	Adani Cement Industries Limited
	Adani Estates Private Limited
	Adani Green Technology Limited
	Adani Rail Infra Private Limited
	Adani Transmission Limited
AdaniConnex Private Limited	
Bowen Rail Company Pty Limited (From 16 July, 2021)	
Gujarat Adani Institute of Medical Science	
Guwahati International Airport Limited	
Jaipur International Airport Limited	
Jash Energy Private Limited	
MPSEZ Utilities Limited (From December 16, 2021)	
Mumbai International Airport Limited	
Mundra Petrochem Limited	
Mundra Solar Energy Limited	
Mundra WindTech Limited	
Navi Mumbai International Airport Limited	
Stratatech Mineral Resources Private Limited	
Thar Power Transmission Service Limited	
TRV (Kerala) International Airport Private Limited	
Vishakha Glass Private Limited	
Vishakha Metals Private Limited	

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

#### Terms and conditions of transactions with related parties

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

#### Note:

The names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

Aggregate of transactions for the year ended and balances thereof with these parties have been given below

#### (A) Transactions with Related Parties

₹ in Crore

Sr No	Particulars	For the Year Ended	With Joint Ventures/ Associates	With Other Entities*	Key Management Personnel and their relatives
1	Income from Port Services / Other Operating Income	March 31, 2022	682.99	1,281.06	-
		March 31, 2021	557.50	1,109.98	-
2	Sale of Non Financial Assets	March 31, 2022	-	-	-
		March 31, 2021	-	162.57	-
3	Lease including Infrastructure Usage Income/ Upfront Premium (Includes Reversal)	March 31, 2022	692.75	102.06	-
		March 31, 2021	16.60	96.66	-
4	Interest Income on loans/ deposits/ deferred accounts receivable	March 31, 2022	46.55	93.54	-
		March 31, 2021	88.19	64.34	-
5	Purchase of Spares and consumables, Power & Fuel	March 31, 2022	0.10	139.87	-
		March 31, 2021	0.37	42.58	-
6	Recovery of expenses (Reimbursement)	March 31, 2022	40.75	-	-
		March 31, 2021	50.08	5.78	-
7	Services Availed (including reimbursement of expenses)	March 31, 2022	3.29	97.36	-
		March 31, 2021	5.91	149.36	-
8	Rent charges paid	March 31, 2022	3.00	14.34	-
		March 31, 2021	-	12.04	-
9	Sales of Scrap and other Miscellaneous Income	March 31, 2022	1.96	57.36	-
		March 31, 2021	4.26	46.35	-
10	Loans Given	March 31, 2022	2.64	759.48	-
		March 31, 2021	-	-	-
11	Loans Received back	March 31, 2022	296.56	954.88	-
		March 31, 2021	496.68	1.85	-
12	Loans Taken	March 31, 2022	-	188.35	-
		March 31, 2021	-	60.88	-
13	Loans Repaid	March 31, 2022	-	840.05	-
		March 31, 2021	-	-	-
14	Interest Expenses	March 31, 2022	-	105.80	-
		March 31, 2021	-	-	-
15	Advance / Deposit Given	March 31, 2022	-	32.88	-
		March 31, 2021	-	42.95	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

₹ in Crore

Sr No	Particulars	For the Year Ended	With Joint Ventures/ Associates	With Other Entities*	Key Management Personnel and their relatives
16	Advance / Deposit Received Back	<b>March 31, 2022</b>		<b>246.31</b>	-
		March 31, 2021	-	145.75	-
17	Advance / Deposit Taken	<b>March 31, 2022</b>		<b>6.83</b>	-
		March 31, 2021	-	-	-
18	Investment in equity/preference shares	<b>March 31, 2022</b>	<b>634.47</b>	-	-
		March 31, 2021	23.77	-	-
19	Purchase of Subsidiaries	<b>March 31, 2022</b>	-	<b>1.88</b>	-
		March 31, 2021	-	2,234.98	-
20	Issue of Equity Shares against Composite Scheme of Arrangement	<b>March 31, 2022</b>	-	<b>4,768.22</b>	-
		March 31, 2021	-	-	-
21	Sale of Investment	<b>March 31, 2022</b>	-	<b>116.31</b>	-
		March 31, 2021	-	-	-
22	Donation	<b>March 31, 2022</b>	-	<b>72.88</b>	-
		March 31, 2021	-	26.38	-
23	Sale of Assets	<b>March 31, 2022</b>	-	<b>3.04</b>	-
		March 31, 2021	2.19	-	-
24	Sale of Material	<b>March 31, 2022</b>	<b>0.01</b>	<b>2.21</b>	-
		March 31, 2021	-	-	-
25	Purchase of property/asset/land use rights	<b>March 31, 2022</b>	-	<b>26.00</b>	-
		March 31, 2021	2.02	17.00	-
26	Remuneration #				
		Short-term employee benefits	<b>March 31, 2022</b>	-	-
		March 31, 2021	-	-	21.09
	Other long-term benefits	<b>March 31, 2022</b>	-	-	<b>0.01</b>
		March 31, 2021	-	-	0.05
	post-employment benefits	<b>March 31, 2022</b>	-	-	<b>0.65</b>
		March 31, 2021	-	-	0.87
27	Commission to Director	<b>March 31, 2022</b>	-	-	<b>2.80</b>
		March 31, 2021	-	-	1.00
28	Commission to Non-Executive Director	<b>March 31, 2022</b>	-	-	<b>1.00</b>
		March 31, 2021	-	-	0.94
29	Sitting Fees	<b>March 31, 2022</b>	-	-	<b>0.55</b>
		March 31, 2021	-	-	0.38
30	Corporate Guarantee Given	<b>March 31, 2022</b>	<b>USD 75 Mn</b>	-	
			<b>480.00</b>	-	
		March 31, 2021	USD 70 Mn	-	
			199.00	-	
31	Corporate Guarantees Received	<b>March 31, 2022</b>	-	<b>900.00</b>	-
		March 31, 2021	-	-	-
32	Corporate Guarantees Released	<b>March 31, 2022</b>	-	<b>965.38</b>	-
		March 31, 2021	-	-	-

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

#It does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 32. Related Party Disclosures (Contd...)

#### (B) Balances with Related Parties

₹ in Crore

Sr No	Particulars	As at	With Joint Ventures/ Associates	With Other Entities*	Key Management Personnel and their relatives
1	Trade Receivable (net of bills discounted, refer note 5 (c))	<b>March 31, 2022</b>	<b>94.80</b>	<b>496.90</b>	-
		March 31, 2021	59.97	676.26	-
2	Loans	<b>March 31, 2022</b>	<b>546.18</b>	-	-
		March 31, 2021	819.26	-	-
3	Capital Advances	<b>March 31, 2022</b>	-	<b>13.19</b>	-
		March 31, 2021	-	26.99	-
4	Trade Payable (including provisions)	<b>March 31, 2022</b>	<b>1.51</b>	<b>73.42</b>	-
		March 31, 2021	2.37	55.50	-
5	Advances and Deposits from Customer/ Sale of Assets	<b>March 31, 2022</b>	<b>0.54</b>	<b>13.10</b>	-
		March 31, 2021	0.54	12.84	-
6	Other Financial & Non-Financial Assets	<b>March 31, 2022</b>	<b>84.82</b>	<b>486.74</b>	-
		March 31, 2021	190.12	721.12	-
7	Other Financial & Non-Financial Liabilities	<b>March 31, 2022</b>	<b>12.02</b>	<b>15.85</b>	-
		March 31, 2021	343.63	83.14	-
8	Borrowings	<b>March 31, 2022</b>	-	-	-
		March 31, 2021	-	60.88	-
9	Corporate Guarantee Given	<b>March 31, 2022</b>	<b>USD 315.08 Mn</b>	-	-
			<b>564.48</b>	-	-
		March 31, 2021	USD 190.91 Mn	-	-
			159.26	-	-
10	Corporate Guarantee Taken	<b>March 31, 2022</b>	-	900.00	-
		March 31, 2021	-	-	-

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

#### Notes:

- The Group has allowed to some of its joint venture entities and other group company to avail non fund based facilities out of its credit facilities. The aggregate of such transaction amounts to ₹0.66 crore (Previous year ₹0.66 crore).
- Pass through transactions/payable relating to railway freight, water front charges and other payable to third parties have not been considered for the purpose of related party disclosure.
- The Loans and ICDs of ₹1,327.65 crore as at the balance sheet date and those given subsequently (Refer note 3 to the Statement of Cashflows) are guaranteed by Adani Properties Private Limited, a promoter group company and a related party.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

33. The Group takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives		Purpose
	As at March 31, 2022	As at March 31, 2021	
Forward Contract	USD 25 Million	USD 9 Million	Hedging of foreign currency borrowing interest liability
	-	USD 40 Million	Hedging of foreign currency borrowing principal liability of USD against JPY
	USD 23 Million	-	Hedging of expected future billing based on foreign currency denominated tariff

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

Nature	As at March 31, 2022		As at March 31, 2021	
	Amount	Foreign Currency	Amount	Foreign Currency
	(₹ In Crore)	(in Million)	(₹ In Crore)	(in Million)
Foreign Currency Loan	-	-	16.18	USD 2.21
	506.39	EUR 60.13	654.63	EUR 76.34
Buyer's Credit	405.92	JPY 6,531.00	172.76	JPY 2,613.00
	181.90	USD 24.00	-	-
Trade Payables and Other Current Liabilities	86.17	USD 11.37	58.18	USD 7.96
	10.68	EUR 1.27	9.02	EUR 1.05
	0.07	JPY 1.17	54.35	JPY 822.00
	0.19	SGD 0.03	0.13	SGD 0.02
	-*	AUD #	0.09	AUD 0.02
	-	-	0.01	GBP #
Interest accrued but not due	0.58	AED 0.28		
	28.79	USD 3.80	102.85	USD 14.07
	0.96	EUR 0.11	1.27	EUR 0.15
Trade Receivable	1.51	JPY 24.29	0.42	JPY 6.34
	54.19	USD 7.15	1.46	USD 0.20
Other Receivable	0.02	EUR #	0.02	EUR #
	-*	SGD #	-	-
	98.99	USD 13.06	69.32	USD 9.48
	0.10	EUR 0.01	0.38	EUR 0.04
Foreign Currency Bond	29,559.08	USD 3,900.00	23,029.65	USD 3,150.00
Loan Given	537.85	USD 70.96	365.70	USD 50.02

# Figures being nullified on conversion to foreign currency in million.

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

Closing rates as at :	March 31, 2022	March 31, 2021
INR / USD	75.79	73.11
INR / EUR	84.22	85.75
INR / GBP	99.46	100.75
INR / JPY	0.62	0.66
INR / AUD	56.74	55.70
INR / SGD	55.97	54.35
INR / BDT	0.88	0.86

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

#### 34.1. Category-wise Classification of Financial Instruments:

₹ in Crore

Particulars	Refer Note	As at March 31, 2022			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	8,596.77	8,596.77
Bank balances other than cash and cash equivalents	11	-	-	3,849.81	3,849.81
Investments in Equity Shares/debt securities/others (other than investment in Joint Venture entities and associate entity)	4 (b)	602.07		-	602.07
Investment in Compulsorily Convertible Preference Shares	4 (b)	-	191.59	-	191.59
Investment in Special Infrastructure Investment Scheme of ASSIS	4 (b)		1,129.49		1,129.49
Investments in unquoted Mutual Funds	10	-	47.79	-	47.79
Trade Receivables (including bill discounted)	5	-	-	2,469.68	2,469.68
Loans	6	-	-	1,873.83	1,873.83
Derivatives Instruments	7	-	1.56	-	1.56
Other Financial Assets	7	-	-	5,119.26	5,119.26
<b>Total</b>		<b>602.07</b>	<b>1,370.43</b>	<b>21,909.35</b>	<b>23,881.85</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted and current maturities)	14,18	-	-	45,752.28	45,752.28
Trade Payables	19	-	-	979.59	979.59
Derivative Instruments	16	-	13.95	-	13.95
Financial Guarantee given	16	-	-	11.46	11.46
Lease Liabilities	15	-	-	1,982.45	1,982.45
Other Financial Liabilities	16	-	-	2,139.45	2,139.45
<b>Total</b>		<b>-</b>	<b>13.95</b>	<b>50,865.23</b>	<b>50,879.18</b>

₹ in Crore

Particulars	Refer Note	As at March 31, 2021			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial Assets</b>					
Cash and cash equivalents	11	-	-	4,198.04	4,198.04
Bank balances other than cash and cash equivalents	11	-	-	592.16	592.16
Investments in Equity Shares (other than investment in Joint Venture Entities and associate entity)	4 (b)	369.24		-	369.24
Investment in Compulsorily Convertible Preference Shares	4 (b)	-	71.59	-	71.59

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd..)

₹ in Crore

Particulars	Refer Note	As at March 31, 2021			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Investments in unquoted Mutual Funds	10	-	212.74	-	212.74
Investments in unquoted Debentures, Commercial Papers and Government Securities	4,10	-	-	7.03	7.03
Investments in Pass Through Certificate	10	-	-	926.02	926.02
Trade Receivables (including bill discounted)	5	-	-	2,925.71	2,925.71
Loans	6	-	-	2,069.07	2,069.07
Derivative Instruments	7	-	15.05	-	15.05
Other Financial Assets	7	-	-	5,695.64	5,695.64
<b>Total</b>		<b>369.24</b>	<b>299.38</b>	<b>16,413.67</b>	<b>17,082.29</b>
<b>Financial Liabilities</b>					
Borrowings (including the bills discounted)	14,18	-	-	34,940.79	34,940.79
Trade Payables	19	-	-	1,013.85	1,013.85
Financial Guarantee given	16	-	-	9.45	9.45
Lease Liabilities	15	-	-	748.01	748.01
Other Financial Liabilities	16	-	-	2,412.79	2,412.79
<b>Total</b>		<b>-</b>	<b>-</b>	<b>39,124.89</b>	<b>39,124.89</b>

#### Note:-

Investments in joint ventures, accounted using equity method, amounting to ₹3,990.18 crore (previous year ₹649.53 crore) are not included in above tables.

#### 34.2. Fair Value Measurements:

##### (a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities:

₹ in Crore

Particulars	As at March 31, 2022			As at March 31, 2021		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
<b>Financial Assets</b>						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4)	230.00	372.07	602.07	-	369.24	369.24
Investment in debt instrument of joint venture entity (refer note 4)	191.59	-	191.59	71.59	-	71.59

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

#### Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities:

₹ in Crore

Particulars	As at March 31, 2022			As at March 31, 2021		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Investment in Special Infrastructure Investment Scheme of ASSIS	1129.49	-	1129.49	-	-	-
Investments in unquoted Mutual Funds measured at FVTPL (refer note 10)	47.79	-	47.79	212.74	-	212.74
Derivative Instruments (refer note 7)	1.56	-	1.56	15.05	-	15.05
<b>Total</b>	<b>1600.43</b>	<b>372.07</b>	<b>1,972.50</b>	<b>299.38</b>	<b>369.24</b>	<b>668.62</b>
<b>Financial Liabilities</b>						
Derivative Instruments (refer note 16)	13.95	-	13.95	-	-	-
<b>Total</b>	<b>13.95</b>	<b>-</b>	<b>13.95</b>	<b>-</b>	<b>-</b>	<b>-</b>

Investments in Unquoted Mutual Funds are valued based on declared NAV.

Derivative instruments are valued based on observable inputs i.e. yield curves, FX rates and volatilities etc.

The company has entered into call option agreement for an equity investment, whereby the company has agreed to grant the buyer an option to purchase the underlying equity investment, the fair value of such call option as at March 31, 2022 is ₹13.76 crore. The fair value is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the spot price, expected price volatility and the risk-free interest rate for the term of the option. The critical inputs for options granted are (i) Expected price volatility : 36 % (ii) Risk-free interest rate: 5.60 % (iii) Intrinsic value : Nil

#### (b) Description of significant unobservable inputs to valuation:

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

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF Method	Weighted Average Cost of Capital (WACC)	March 31, 2022 11.28% - 13.18% (12.42%) March 31, 2021 : 11.63% - 18.50% (15.07%)	1% increase would result in decrease in fair value by ₹3.99 Crore as of March 31, 2022 (₹6.02 Crore as of March 31, 2021)

#### (c) Financial Instrument measured at Amortised Cost

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

## 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

### 34.3 Financial Risk objective and policies

The Group's principal financial liabilities, other than derivatives comprises of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations/projects and to provide guarantees to support Group's operations and its joint venture entities. The Group's principal financial assets include loans, investments including mutual funds, trade and other receivables, and cash and cash equivalents which is derived from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as cross currency swaps, full currency swaps, interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

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

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

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

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments, short term investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2022. The analysis exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

#### (i) Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

#### Interest rate sensitivity

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

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2022 would decrease / increase by ₹30.02 crore (for the year ended March 31, 2021 : decrease / increase by ₹17.68 crore). This is mainly attributable to interest rates on variable rate of long term borrowings. The same has been calculated based on risk exposure outstanding as on balance sheet date. The year end balances are not necessarily representative of average debt outstanding during the year.

#### (ii) Foreign currency risk

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

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

The Group's forex revenues provide a natural hedge to its forex debt, derisking it against currency movements.

₹ in crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>USD Sensitivity</b>				
₹/USD - Increase by 1%	(291.65)	(227.54)	(291.65)	(227.54)
₹/USD - Decrease by 1%	291.65	227.54	291.65	227.54
<b>EURO Sensitivity</b>				
₹/EURO - Increase by 1%	(4.99)	(5.89)	(4.99)	(5.89)
₹/EURO - Decrease by 1%	4.99	5.89	4.99	5.89
<b>GBP Sensitivity</b>				
₹/GBP - Increase by 1%	_*	_*	_*	_*
₹/GBP - Decrease by 1%	_*	_*	_*	_*
<b>SGD Sensitivity</b>				
₹/SGD - Increase by 1%	_*	_*	_*	_*
₹/SGD - Decrease by 1%	_*	_*	_*	_*
<b>JPY Sensitivity</b>				

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for the year ended March 31, 2022

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

₹ in crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
₹/JPY- Increase by 1%	(4.08)	(2.28)	(4.08)	(2.28)
₹/JPY - Decrease by 1%	4.08	2.28	4.08	2.28
<b>AED Sensitivity</b>				
₹/AUD- Increase by 1%	(0.01)		(0.01)	-
₹/AUD - Decrease by 1%	0.01		0.01	-

-\* Figures being nullified on conversion to ₹ in crore

#### (iii) Equity price risk

The Group'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 venture entities. 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 and 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 Management of the Company on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigates financial loss through counterparty's potential failure to make payments. The Group further mitigates credit risk of counter parties by obtaining adequate securities including undertaking from creditable parties.

The Group 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 Finance Committee of the Board of Directors of the company/the board of Directors of the subsidiary entities 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 Management of the Company including assessment by external legal expert, and by assessing financial

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

ability of the guarantor.

Corporate Guarantees given to banks and financial institutions against credit facilities availed by the joint venture entities ₹2,952.62 crore (Previous year ₹1,555.06 crore)

#### Concentrations of Credit risk form part of Credit risk

Considering that the group operates the port services and provide related infrastructure services, the group is significantly dependent on cargo from such large port user customer located at various ports. Out of total revenue, the Group earns 23% revenue (previous year 17%) from such customers and with some of these customers, the group has long term cargo contracts . Receivables from such customer constitute 41% of total trade receivables (previous year 51%) . A loss of these customers could adversely affect the operating result or cash flow of the Group.

#### (C) Liquidity risk

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

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

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

₹ in Crore

Particulars	Refer Note	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Amount
<b>As at March 31, 2022</b>						
Borrowings (including the bills discounted)	14,18	6,300.87	13,073.94	26,617.49	45,992.30	45,752.28
Interest Payments	16	2,051.03	6,687.92	4,879.99	13,618.94	654.80
Trade Payables	19	979.59	-	-	979.59	979.59
Derivative Instruments	16	13.95	-	-	13.95	13.95
Financial Guarantees given	16	5.60	5.86	-	11.46	11.46
Lease Liabilities	15	30.53	346.21	1,605.71	1,982.45	1,982.45
Other Financial Liabilities	16	1,345.88	138.77	-	1,484.65	1,484.65
<b>Total</b>		<b>10,727.45</b>	<b>20,252.70</b>	<b>33,103.19</b>	<b>64,083.34</b>	<b>50,879.18</b>
<b>As at March 31, 2021</b>						
Borrowings (including the bills discounted)	14,18	2,010.50	10,650.61	22,535.31	35,196.42	34,940.79
Interest Payments	16	1,667.76	5,738.37	2,860.57	10,266.70	572.65
Trade Payables	19	1,013.85	-	-	1,013.85	1,013.85
Financial Guarantees given	16	3.09	6.36	-	9.45	9.45
Lease Liabilities	15	67.57	236.98	867.13	1,171.68	748.01
Other Financial Liabilities	16	1,709.38	130.76	-	1,840.14	1,840.14
<b>Total</b>		<b>6,472.15</b>	<b>16,763.08</b>	<b>26,263.01</b>	<b>49,498.24</b>	<b>39,124.89</b>

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 call and refinancing options available with the Group. The amounts included above for variable interest rate instruments

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management (Contd...)

for nonderivative 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.

#### 34.4 Capital management

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

The Group monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance & Investments in Mutual Fund) divided by total capital plus net debt.

Particulars	₹ in Crore	
	March 31, 2022	March 31, 2021
Total Borrowings (refer note 14,18) (including the bills discounted)	45,752.28	34,940.79
Less: Cash and bank balance & Investments in Mutual Fund (refer note 10,11)	12,494.37	5,002.94
<b>Net Debt (A)</b>	<b>33,257.91</b>	<b>29,937.85</b>
Total Equity (B)	38,250.00	30,608.26
Total Equity and Net Debt (C = A + B)	71,507.91	60,546.11
<b>Gearing ratio</b>	<b>47%</b>	<b>49%</b>

In order to achieve this overall objective, the Group'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. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

### 35. Capital Commitments and other commitments

#### (i) Capital Commitments

Estimated amount of contracts (net of security deposits amounting to ₹2,305.63 crore (previous year ₹2,922.85 crore) included in note 7 and advances) remaining to be executed on capital account and not provided for ₹10,658.99\* crore (previous year ₹13,063.65 crore) pertains to various projects to be executed during the next 5 years.

\* Excluding for a project under arbitration with concessioning authority (refer note - 36 (p))

#### (ii) Other Commitments

a) The port projects of subsidiary companies viz. The Dhamra Port Company Limited ("DPCL"), Adani Vizhinjam Port Private Limited ("AVPPL") and joint venture Adani International Container Terminal Private Limited ("AICTPL") have been funded through various credit facility agreements with banks. Against the said facilities availed by the aforesaid entities from the banks, the Company has pledged its shareholding in the subsidiary / joint venture companies and executed Non Disposal Undertaking, the details of which is tabulated below:-

The details of shareholding pledged by the Company is as follows :

Name of Subsidiaries / Joint Ventures	% of Non disposal undertaking (Apart from pledged)		% of Share Pledged of the total shareholding of investee company	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Adani International Container Terminal Private Limited	50.00%	50.00%	-	-
Adani Vizhinjam Port Private Limited	-	70.00%	-	30.00%
The Dhamra Port Company Limited	21.00%	21.00%	30.00%	30.00%

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 35 Capital Commitments and other commitments (Contd...)

- b) Contract/ Commitment for purchase of certain supplies. Advance given ₹Nil (previous year ₹231.20 crore).
- c) The subsidiary companies have imported capital goods for its Container & Multipurpose Port Terminal and Project Equipments under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is ₹1,225.15 crore (previous year ₹1,144.57 crore) which is equivalent to 6 to 8 times of duty saved ₹204.19 crore ( previous year ₹186.93 crore) . The export obligation has to be completed by 2022-23 to 2026-27.

One of the subsidiary company has filed an application to extend the deadline for completion of the obligation amounting to ₹714.88 crore for another two years, which is expected to be approved by the authority shortly.

- d) One of the subsidiary company Adani Hazira Port Limited ("AHPL") has entered into agreement in financial year 2013-14 to acquire land measuring 85,553 square meter in the Hazira region and an advance consideration of ₹18.23 crore paid towards the land has been classified as capital advance. The AHPL has entered into agreement to acquire additional land measuring 933 acre in the Patan and Hazira region and an advance consideration of ₹38.03 crore paid towards the land classified as capital advance respectively. As at March 31, 2022, the AHPL does not have physical possession of the said land, although it has contractual right in the said land parcels. The management represents that land area and location are identifiable and the transaction will be concluded on receiving necessary government approvals.
- e) As a part of Environmental Clearance obtained by the Vizhinjam International Sea Port Limited (VISL or 'the Authority'), the AVPPL has been obliged to incur expenditure of ₹33.70 crore towards 'Corporate Social Responsibility' along with development of Port Infrastructure under Phase - I and the same is included under the total Project cost. Out of total commitment of ₹33.70 crore, the AVPPL has incurred ₹17.28 crore till March 31, 2022.

### 36. Contingent Liabilities not provided for

Sr. No	Particulars	₹ in Crore	
		March 31, 2022	March 31, 2021
a	Certain facilities availed by the joint venture entities and other group company against credit facilities sanctioned to the company.	0.66	0.66
b	Bank Guarantees given to government authorities and banks	341.83	352.83
c	Civil suits filed by the Customers for recovery of damages against certain performance obligations. The said civil suits are currently pending with various Civil Courts in Gujarat. The management is reasonably confident that no liability will devolve on the Company in this regard and hence no provision is made in the books of accounts towards these suits.	-	0.94
d	Show cause notices from the Custom Authorities against duty on port related cargo. The Company has given deposit of ₹0.05 crore (previous year ₹0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14	0.14

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 36. Contingent Liabilities not provided for (Contd...)

Sr. No	Particulars	₹ in Crore	
		March 31, 2022	March 31, 2021
e	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeal there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other fixed assets during financial year 2006-07 to 2016-17. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of ₹4.50 crore (previous Year ₹4.50 crore) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011).	32.63	32.63
f	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat ₹ 6.72 crore (previous Year ₹ 6.72 crore); and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad ₹ 0.15 crore (previous Year ₹ 0.15 crore) and Commissioner of Service Tax Ahmedabad ₹ 0.03 crore (previous Year ₹ 0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90	6.90
g	Commissioner of Customs, Ahmedabad has vide order no.4/Comm./SIIB/2009 dated November 25, 2009 imposed penalty in connection with import of Air Craft owned by Karnavati Aviation Private Limited (Formerly known as Gujarat Adani Aviation Private Limited.), subsidiary of the Company. Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the imposition of penalty, the management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognized in the books of account.	2.00	2.00
h	In terms of the Show Cause Notice issued to a subsidiary company by the Office of the Commissioner of Customs for a demand of ₹18.33 Crore along with applicable interest and penalty thereon for the differential amount of Customs Duty in respect of import of Bombardier Challenger CI-600 under Non-Scheduled Operation Permit (NSOP) has been raised on the company.	18.33	18.33
i	In terms of the Show Cause cum Demand Notice issued to subsidiary company by the Office of the Commissioner of Customs Preventive Section dated 27/02/2009, a demand of ₹14.67 Crore along with applicable interest and penalty thereon for the differential amount of Customs Duty in respect of import of Aircraft Hawker 850 XP under Non-Scheduled Operation Permit (NSOP) has been raised on the company.	14.53	14.53

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 36. Contingent Liabilities not provided for (Contd...)

Sr. No	Particulars	₹ in Crore	
		March 31, 2022	March 31, 2021
j	Notice received from Superintendent / Commissioner of Service Tax Department and show cause from Directorate General of Central Excise Intelligence for wrong availing of Cenvat Credit /Service tax credit and Education Cess on input services, steel and cement on some of the subsidiary companies. The management is of the view that no liability shall arise on the subsidiaries companies.	20.68	20.92
k	Show cause notice received from Directorate General of Central Excise Intelligence for Non-Payment of Service Tax on Domestic Journey and on certain Foreign Service on reverse charge mechanism amounting to ₹3.03 crore. The subsidiary company had filed appeal with Commissioner of Service Tax & received order for the same. The subsidiary company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the order of Commissioner for confirmation of tax liability of ₹3.71 crore (including Penalty). The subsidiary company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise. The subsidiary company has paid ₹0.35 crore under protest.	3.71	3.71
l	Various matters of subsidiary companies pending with Income Tax Authorities.	0.05	4.43
m	Claims not acknowledged as debts.	122.05	47.74
n	The Company's tax assessments is completed till Assessment year 2018-19, Appeals are pending with High Court/Supreme Court for Assessment Year 2008-09 to AY 2010-11, with Appellate Tribunal for Assessment Year 2011-12 to 2016-17 & with CIT for AY 2018-19. Company has received favourable orders on most of the matters for AY 2008-09 to AY 2016-17 from CIT(A)/ITAT/High Court, hence the management is reasonably confident that no liability will devolve on the Company.		
o	Matters of acquired subsidiaries for which indemnity is available from previous owner/seller <ul style="list-style-type: none"> <li>(i) Matters pending with Central Warehousing Corporation amounting to ₹10.14 crore.</li> <li>(ii) Matters pending with Income Tax, Service Tax and Various other authorities amounting to ₹136.31 crore</li> </ul>		
p	During the previous year ended on March 31, 2021, Adani Ennore Container Terminal Private Limited ("AECTPL") has received notice from Kamarajar Port Limited ("KPL") relating to delay in completion of a milestone of Phase II, levying liquidated damages of ₹29.60 crore. AECTPL sought for injunction from Hon'ble High Court of Madras and per its direction, initiated arbitration and deposited ₹10 crore without prejudice and subject to outcome of arbitration and other such remedies available in the concession agreement. The matter is under arbitration and both parties have appointed arbitrators as well as the presiding arbitrator as referred by the Hon'ble High Court of Madras. The management is confident that there should be no such levy and has contested the same attributing the delay in Phase II commencement to reasons beyond control of AECTPL including but not limited to delays in Phase I Project (including Force Majeure events of Cyclone Vardha), delay by the Concessions Authority in appointing an Independent Engineer for Phase II Project, allocation of land, issuance of Phase I completion certificate, etc. Considering above, no provision of the liquidated damages claimed by KPL has been considered necessary at this stage. Both the parties have filed the claim with arbitrators and the matter is currently under arbitration. Further, during current year, AECTPL could not achieve the Minimum Guaranteed tonnage as per concession agreement on account of various force majeure events including reasons attributable to KPL which was also contested as part of ongoing arbitration.		
q	During the previous year, the group has received notice from one of the port trust authority, relating to royalty on deemed storage income for ₹41.40 crore. The Group is in the process of requesting to extend the relief of rationalised tariff retrospectively, available under guidelines issued by Ministry of Shipping dated July 11, 2018. The Group has paid an amount of ₹18.67 crore and provided the same in books on prudent basis and doesn't anticipate any further outflow.		

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 37. Interest in joint Venture Entities and Associates

(A) Summarised Balance Sheet and Statement of Profit and Loss of material entities are as below:

₹ in Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Share Capital and Reserve & Surplus	89.43	(2.01)	824.90	567.21
Non-current Liabilities	1,422.07	1,556.05	2,548.14	2,623.83
Current Liabilities	382.03	392.97	382.63	708.54
Non-current Assets	1,663.46	1,802.84	3,447.96	3,699.79
Current Assets	230.07	144.17	307.71	199.79
Revenue	630.68	566.44	1,371.03	1,214.88
Operating Expenses	(158.95)	(135.91)	(336.88)	(270.12)
Terminal Royalty Expenses	(87.51)	(63.60)	(237.82)	(223.43)
Employee Benefit Expenses	(7.81)	(7.47)	(13.60)	(13.88)
Depreciation and Amortisation Expense	(124.86)	(124.32)	(243.67)	(243.70)
Foreign Exchange (loss)/Gain (net)	(42.31)	41.80	(84.70)	147.36
Finance Costs	(81.80)	(104.89)	(111.09)	(137.97)
Other Expenses	(12.36)	(12.78)	(34.82)	(30.83)
<b>Profit / (Loss) before exceptional item and tax</b>	<b>115.08</b>	<b>159.27</b>	<b>308.45</b>	<b>442.31</b>
Exceptional Item	(17.24)	-	(33.07)	-
<b>Profit / (Loss) before tax</b>	<b>97.84</b>	<b>159.27</b>	<b>275.38</b>	<b>442.31</b>
Income-tax expense	(6.28)	-	(17.52)	(30.92)
<b>Profit / (Loss) after tax</b>	<b>91.56</b>	<b>159.27</b>	<b>257.86</b>	<b>411.39</b>
Other Comprehensive income	(0.13)	0.07	(0.17)	0.09
<b>Total Comprehensive Income</b>	<b>91.43</b>	<b>159.34</b>	<b>257.69</b>	<b>411.48</b>
<b>Capital and Other Commitments</b>	<b>0.42</b>	<b>2.90</b>	<b>261.13</b>	<b>7.40</b>
<b>Contingent liability not accounted for</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.38</b>

₹ in Crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Share Capital and Reserve & Surplus	1.44	4.07	1,214.29	693.02
Non-current Liabilities	35.04	22.74	4,440.27	2,837.61
Current Liabilities	5.87	5.27	265.26	336.36
Non-current Assets	40.17	27.96	5,291.97	3,517.02
Current Assets	2.18	4.12	627.85	349.97
Revenue	25.32	15.91	2,177.17	385.29

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 37. Interest in joint Venture Entities and Associates (Contd...)

₹ in Crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Operating Expenses	(22.87)	(14.34)	(2,062.34)	(390.61)
Employee Benefit Expenses		-	(7.21)	(4.09)
Depreciation and Amortisation Expense	(3.06)	(1.73)	(0.55)	(0.26)
Foreign Exchange (loss)/Gain (net)		-	(4.57)	0.23
Finance Costs	(1.95)	(1.06)	(17.16)	(9.26)
Other Expenses	(0.08)	(0.02)	(37.30)	(8.55)
<b>Profit / (Loss) before tax</b>	<b>(2.64)</b>	<b>(1.24)</b>	<b>48.04</b>	<b>(27.25)</b>
Income-tax expense		0.15	(10.67)	0.24
<b>Profit / (Loss) after tax</b>	<b>(2.64)</b>	<b>(1.09)</b>	<b>37.37</b>	<b>(27.01)</b>
Other Comprehensive income	-		67.96	4.73
<b>Total Comprehensive Income</b>	<b>(2.64)</b>	<b>(1.09)</b>	<b>105.33</b>	<b>(22.28)</b>
<b>Capital and Other Commitments</b>	<b>-</b>	<b>-</b>	<b>384.39</b>	<b>1,693.32</b>
<b>Contingent liability not accounted for</b>	<b>-</b>	<b>-</b>	<b>2.66</b>	<b>-</b>

₹ in Crore

Particulars	Gangavaram Port Limited (Consolidated)
	March 31, 2022
Share Capital and Reserve & Surplus	3,048.36
Non-current Liabilities	31.86
Current Liabilities	102.38
Non-current Assets	2,894.41
Current Assets	288.19
	-
Revenue	1,274.82
Operating Expenses	(233.51)
Employee Benefit Expenses	(115.51)
Depreciation and Amortisation Expense	(138.93)
Foreign Exchange (loss)/Gain (net)	-
Finance Costs	(3.34)
Other Expenses	(61.30)
<b>Profit / (Loss) before tax</b>	<b>722.23</b>
Income-tax expense	(17.65)
<b>Profit / (Loss) after tax</b>	<b>704.58</b>
Other Comprehensive income	0.54
<b>Total Comprehensive Income</b>	<b>705.12</b>
<b>Capital and Other Commitments</b>	<b>709.39</b>
<b>Contingent liability not accounted for</b>	<b>62.70</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 37. Interest in joint Venture Entities and Associates (Contd...)

#### (B) Reconciliation of carrying amounts of joint ventures

₹ in Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Net assets of joint venture entities	89.43	(2.01)	824.90	567.21
Proportion of Group's share	50%	50%	50%	50%
Group's share	44.72	(1.00)	412.45	283.61
Elimination from intra-group transactions	(44.72)	1.00	(412.45)	(283.61)
Carrying amount of Group's interest (refer note 4(a))	-	-	-	-

₹ in Crore

Particulars	Adani NYK Auto Logistics Solutions Private Limited		Adani Total Private Limited (Consolidated)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Net assets of joint venture entities	1.44	4.07	1,214.29	693.02
Proportion of Group's share	51%	51%	50%	50%
Group's share	0.73	2.08	607.15	346.51
Fair valuation and other adjustment	-	-	567.70	300.89
Elimination from intra-group transactions/adjustments	-	-	-	-
Carrying amount of Group's interest (refer note 4(a))	0.73	2.08	1,174.85	647.40

₹ in Crore

Particulars	Gangavaram Port Limited (Consolidated)
	March 31, 2022
Net assets of joint venture entities	3,048.36
Proportion of Group's share	41.90%
Group's share	1,277.26
Fair valuation and other adjustment	1,523.07
Elimination from intra-group transactions/adjustments	-
Carrying amount of Group's interest (refer note 4(a))	<b>2,800.33</b>

#### (C) Unrecognised share of losses

₹ in Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unrecognised share of loss for the year*	(45.72)	(79.67)	(128.85)	(205.74)
Cumulative shares of loss	14.68	60.40	(66.98)	61.87

\* Not recognised as the carrying value of Investment as on reporting date is Nil

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 38. Business Combinations, acquisitions and disposals during the year

- (i) 1) During the previous year, the group completed acquisition of 75% stake in Adani Krishnapatnam Port Limited ("AKPL") (Formerly known as Krishnapatnam Port Company Limited ("KPCL")) and obtained the control on October 01, 2020 from its erstwhile promoters. The Group, based on the provisional fair valuation report, had recorded ₹749.79 crore as Goodwill on acquisition in previous year.

Further during the current year, the Company has acquired balance 25% stake in AKPL and hence it became wholly owned subsidiary of the Group w.e.f June 08, 2021.

During the current year, after finalizing Purchase Price Allocation and based on the final report of external independent expert, there is a revision in fair value of certain assets and accordingly the Group has recorded ₹760.41 crore as Goodwill on acquisition.

- 2) During the previous year, the Group has completed the acquisition of Dighi Port Limited ("DPL") under the Corporate Insolvency Resolution Plan ("CIRP"). The Group has also entered into the assignment agreement dated February 15, 2021 with the Financial Creditors of DPL for assignment of Debt of Dighi Port Limited at a value of ₹650 crore. Further DPL had incurred a cost of ₹54.71 crore towards the payment of CIRP cost. The Group, based on the provisional fair valuation report, had recorded ₹25.95 crore as Capital Reserve on acquisition in previous year.

During the current year, after finalizing Purchase Price Allocation and based on the final report of external independent expert, there is a revision in fair value of certain assets/liabilities and accordingly the Group has recorded ₹5.95 crore as Capital Reserve on acquisition.

- 3) On March 03, 2021, the board of directors have approved the Composite Scheme of Arrangement between the Company and Brahmi Tracks Management Services Private Limited ("Brahmi") and Adani Tracks Management Services Private Limited ("Adani Tracks") and Sarguja Rail Corridor Private Limited ("Sarguja") and their respective shareholders and creditors (the 'Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder ("the Act"). As per order of Hon'ble National Company Law Tribunal ("NCLT"), the NCLT convened meeting of Equity Shareholders, Secured and Unsecured creditors was held on September 20, 2021, wherein, the said Scheme was approved by Equity shareholders, Secured and Unsecured creditors in overwhelming majority. NCLT has approved the scheme vide order dated January 27, 2022 and accordingly the effect of the scheme has been given during current year.

Consequent to above, Brahmi got amalgamated with the Company and Sarguja became wholly owned subsidiary of the Company w.e.f. appointed date i.e. April 1, 2021. Further, transaction costs pertaining to such scheme has been charged off to P&L on the same date.

Pursuant to the scheme, the Company has allotted 7,06,21,469 equity shares having face value of ₹2 each at an issue price of ₹675.18 each to the erstwhile promoters of Brahmi Track Management Services Private Limited.

The Group has concluded final determination of fair values of identified assets and liabilities for the purpose of purchase price allocation and based on the final fair valuation report of external independent expert, assets and liabilities are as per table given below.

- 4) During the year, the group took control over business including the land assets of Mundra Solar Technopark Private Limited ("MSTPL") pursuant to rights against outstanding receivables from the said entity. The group is in the process of making final determination of fair values of the identified assets and liabilities for the purpose of Purchase price allocation. Below are the provisional fair value of identified assets and liabilities.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 38. Business Combinations, acquisitions and disposals during the year (Contd...)

The fair value of the identifiable assets and liabilities as at the date of acquisition were:

Particulars	₹ in crore	
	Sarguja Rail Scheme	MSTPL
<b>Assets</b>		
Tangible and Intangible Assets	4,966.92	1,152.49
Investments	112.50	0.05
Other non-current financial/non-financial assets	35.52	182.93
Inventories	2.11	-
Trade Receivables	100.07	49.28
Cash and Bank Balances	220.85	0.94
Loans	200.00	-
Other current financial/non-financial assets	13.49	8.01
<b>Total Assets</b>	<b>5,651.46</b>	<b>1,393.70</b>
<b>Liabilities</b>		
Long term Provisions	0.23	0.35
Other non-current financial/non-financial liabilities	1,079.92	423.91
Borrowings	711.25	898.00
Trade Payables	11.34	98.95
Other current financial/non-financial liabilities	11.63	60.60
Short term Provisions	0.06	0.05
Deferred Tax liability (net) (refer note (c) below)	846.45	-
<b>Total Liabilities</b>	<b>2,660.88</b>	<b>1,481.86</b>
<b>Total Identifiable Net Assets at fair value</b>	<b>2,990.58</b>	<b>(88.16)</b>
<b>Purchase Consideration paid</b>		
- For Equity Share	4,768.22	1.88
	<b>4,768.22</b>	<b>1.88</b>
<b>Non-Controlling Interests</b>		
Existing Investments on acquisition	-	2.55
<b>Goodwill/(Capital Reserve) arising on acquisition</b>	<b>1,777.64</b>	<b>93.14</b>

#### Notes:-

- (a) The determination of the fair value is based on discounted cash flow method. Key assumptions on which the management has based fair valuation includes estimated long-term growth rates, weighted average cost of capital and estimated operating margin. The Cash flow projections take into account past experience and represent the management's best estimate about future developments.
- (b) Goodwill is attributable to future growth of business out of synergies from these acquisitions and assembled workforce.
- (c) Impact of deferred tax adjustment amounting to ₹897.99 crore, arising on business combination, adjusted in Goodwill as per Ind AS - 12 Income Taxes.
- (ii) (1) During the year ended March 31, 2022, Company's subsidiary has acquired 100% equity stake of AYN Logistics Infra Private Limited on May 04, 2021 the assets of which mainly comprises of land. The acquisition does not constitute a business combination and hence has been accounted for as an asset acquisition.
- (2) During the year ended March 31, 2022, the group has acquired an asset of container freight station at Krishnapatnam Port. The said acquisition of asset has been completed by acquiring Seabird Distriparks (Krishnapatnam) Private Limited on January 29, 2022 through its wholly owned subsidiary company Adani Krishnapatnam Port Limited. The acquisition does not constitute a business combination and hence has been accounted for as an asset acquisition.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 38. Business Combinations, acquisitions and disposals during the year (Contd...)

- (iii) During the current year, the Group completed acquisition of 41.90% equity stake of Gangavaram Port Limited ("GPL") and has been accounted as an associate entity.

On September 22, 2021, the Board of Directors have approved the Composite Scheme of Arrangement between the Company, Gangavaram Port Limited ("GPL"), Adani Gangavaram Port Private Limited ("AGPPL") and their respective shareholders and creditors (the 'Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder ("the Act") with an appointed date of April 01, 2021. The meeting of Shareholders and creditors was concluded on March 14, 2022 wherein the proposal received consent of all the stakeholders. The said scheme will now be effective upon receipt of final approval from Hon'ble National Company Law Tribunal with an appointed date of April 01, 2021.

- (iv) During the year, the Company has divested its investment in subsidiary company MPSEZ Utilities Limited ("MUL") on December 15, 2021 pursuant to which MUL ceased to be subsidiary of the Company. The Company has recorded a gain of ₹59.70 crore on disposal of investment in subsidiary.

### 39. Assets classified as held for sale

- i) During the previous year, the Company's subsidiary had entered into a Share Transfer Deed for sale of investments in Bowen Rail Operation Pte Ltd ("BRO") and was classified under Assets held for sale. During the current year, the Group concluded the divestment on July 14, 2021.
- ii) On acquisition of Adani Krishnapatnam Port Limited ("AKPL") as stated in note 38 (i) (1), the assets on the date of control included investments of ₹135.12 crore that were to be carved out and were to be settled separately by AKPL. Said investment as on reporting date amounting to ₹47.60 crore are included under Assets classified as held for sale.
- iii) In line with board guidance and recommendation of risk committee, the Company subsequent to the reporting date, on May 22, 2022, entered into a binding Share Purchase Agreement (SPA) for sale of its investments in Coastal International Terminals Pte Limited, which has investments in Myanmar Project. The SPA is signed on a completed project basis, which ensures full recover of its investments, loans given and cost to complete the project. The deal will be concluded after receipt of proceeds, in line with the agreed condition precedents. Management has concluded that the net realizable value is higher than the carrying value. Accordingly assets and liabilities of this entity which includes:- Non-current assets (including Capital Work-in-progress) ₹1,640.30 crore, Cash and Cash Equivalent ₹23.03 crore, Other current assets ₹0.80 crore and other current liabilities ₹257.81 crore are classified as held for sale.
- iv) Adani Vizag Coal Terminal Private Limited ("AVCTPL"), a subsidiary of the Company is engaged in Port services under concession agreement with Visakhapatnam Port Trust ("VPT"). During the previous year, AVCTPL and VPT had initiated termination on mutual consent as per right under the concession agreement citing force majeure events, which went for arbitration. Both the parties have filed the claim with arbitrators and the final outcome is yet to be decided.

During current year ended on March 31, 2022, the arbitration tribunal, in its interim order, observed that terminal remaining idle leads to its deterioration and fails to generate any revenue. Hence, terminal should be put to operation without any delay and has directed VPT to release an ad-hoc interim payment to AVCTPL. Based on such directions, ad-hoc payment of ₹155 Crore has been received against handing over the possession, management and operational control of the terminal, leaving open all rights and contentions of both parties for examination at a later stage. Pending final outcome of the ongoing arbitration, the group has classified the terminal assets/liabilities as held for sale which includes Non-current assets (Including Property, Plant & Equipments, Intangibles) ₹185.40 crore, Inventories ₹1.35 crore and other liabilities ₹47.55 crore. The ad-hoc payment received has been classified as Advance from customer under current liabilities.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

₹ in crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
<b>Parent Company</b>								
Adani Ports and Special Economic Zone Limited	39.95%	26,582.26	6.75%	297.56	32.39%	7.78	6.89%	305.34
<b>Subsidiary Companies</b>								
<b>Indian</b>								
The Adani Harbour Services Limited	9.39%	6,245.17	34.92%	1,539.12	-0.27%	(0.07)	34.73%	1,539.05
Adani Hazira Port Limited	6.38%	4,246.56	15.71%	692.56	-3.03%	(0.73)	15.61%	691.84
Adani Logistics Limited	11.55%	7,682.76	1.07%	47.04	-1.46%	(0.35)	1.05%	46.69
The Dhamra Port Company Limited	8.78%	5,839.56	12.40%	546.33	-1.74%	(0.42)	12.32%	545.91
Adani Petronet (Dahej) Port Private Limited	1.69%	1,122.77	4.24%	186.77	-8.69%	(2.09)	4.17%	184.68
Shanti Sagar International Dredging Limited	1.68%	1,117.57	6.07%	267.67	-0.12%	(0.03)	6.04%	267.64
Adani Murmugao Port Terminal Private Limited	-0.45%	(302.56)	-0.97%	(42.62)	-0.38%	(0.09)	-0.96%	(42.71)
Adani Vizag Coal Terminal Private Limited	-0.46%	(306.56)	-1.14%	(50.11)	0.00%	-*	-1.13%	(50.11)
Adani Warehousing Services Private Limited	0.00%	(1.73)	-0.11%	(4.92)	0.00%	-	-0.11%	(4.92)
Adani Hospitals Mundra Private Limited	0.01%	3.79	0.01%	0.58	-0.38%	(0.09)	0.01%	0.49
Mundra International Airport Private Limited	0.00%	2.96	-0.02%	(1.01)	0.00%	-	-0.02%	(1.01)
Mundra Sez Textile And Apparel Park Private Limited	-0.01%	(9.08)	-0.04%	(1.92)	0.00%	-	-0.04%	(1.92)
Adinath Polyfills Private Limited	0.00%	(1.63)	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
MPSEZ Utilities Limited	0.00%	-	0.33%	14.68	0.04%	0.01	0.33%	14.69
Adani Ennore Container Terminal Private Limited	0.55%	362.77	-0.32%	(14.29)	0.00%	-*	-0.32%	(14.29)
Adani Vizhinjam Port Private Limited	3.22%	2,140.69	-0.02%	(0.76)	0.00%	-	-0.02%	(0.76)
Adani Kattupalli Port Limited	0.04%	25.67	0.07%	2.89	0.00%	-	0.07%	2.89
Karnavati Aviation Private Limited	0.30%	196.55	0.39%	17.18	-0.27%	(0.07)	0.39%	17.11
Hazira Infrastructure Limited	0.04%	26.77	0.00%	0.20	0.00%	-	0.00%	0.20
Adani Ports Technologies Private Limited	0.00%	0.04	0.00%	(0.03)	0.00%	-	0.00%	(0.03)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss (Contd...)

₹ in crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Mundra Crude Oil Terminal Private Limited	0.31%	207.84	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Marine Infrastructure Developer Private Limited	3.08%	2,049.09	-0.29%	(12.84)	-0.30%	(0.07)	-0.29%	(12.91)
Blue Star Realtors Limited	0.50%	330.28	-0.01%	(0.29)	0.00%	-	-0.01%	(0.29)
Madurai Infrastructure Private Limited	0.34%	228.61	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Dholera Port And Special Economic Zone Limited	-0.01%	(3.71)	-0.01%	(0.32)	0.00%	-	-0.01%	(0.32)
Adani Kandla Bulk Terminal Private Limited	-0.60%	(401.28)	-2.75%	(121.34)	-0.61%	(0.15)	-2.74%	(121.48)
Dholera Infrastructure Private Limited	-0.01%	(4.44)	-0.01%	(0.38)	0.00%	-	-0.01%	(0.38)
Adani Agri Logistics Limited	0.85%	564.79	0.55%	24.22	-1.05%	(0.25)	0.54%	23.97
Adani Agri Logistics (MP) Limited	0.00%	(0.06)	-0.01%	(0.23)	-0.04%	(0.01)	-0.01%	(0.24)
Adani Agri Logistics (Harda) Limited	0.00%	1.74	0.00%	0.21	-0.02%	(0.01)	0.00%	0.21
Adani Agri Logistics (Hoshangabad) Limited	0.00%	1.66	0.01%	0.28	-0.03%	(0.01)	0.01%	0.27
Adani Agri Logistics (Satna) Limited	0.00%	1.37	0.01%	0.34	0.00%	-*	0.01%	0.34
Adani Agri Logistics (Ujjain) Limited	0.01%	3.77	-0.01%	(0.24)	-0.06%	(0.01)	-0.01%	(0.25)
Adani Agri Logistics (Dewas) Limited	0.00%	3.04	0.00%	(0.06)	-0.03%	(0.01)	0.00%	(0.07)
Adani Agri Logistics (Katihar) Limited	0.01%	4.95	0.01%	0.31	0.00%	-*	0.01%	0.31
Adani Agri Logistics (Kotkapura) Limited	0.01%	3.91	0.01%	0.43	-0.05%	(0.01)	0.01%	0.42
Adani Agri Logistics (Kannauj) Limited	0.04%	27.20	-0.02%	(0.90)	0.00%	-	-0.02%	(0.90)
Adani Agri Logistics (Panipat) Limited	0.09%	58.51	-0.02%	(0.78)	0.00%	-	-0.02%	(0.78)
Adani Agri Logistics (Moga) Limited	0.01%	6.66	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Mansa) Limited	0.01%	3.86	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Bathinda) Limited	0.00%	0.05	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Adani Agri Logistics (Barnala) Limited	0.01%	7.70	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Nakodar) Limited	0.01%	6.23	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Raman) Limited	0.01%	5.16	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Dahod) Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss (Contd...)

₹ in crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Warehousing Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Dhamora) Limited	0.01%	5.39	-0.04%	(1.55)	0.00%	-	-0.03%	(1.55)
Adani Agri Logistics (Samastipur) Limited	0.02%	14.29	-0.03%	(1.44)	-0.10%	(0.02)	-0.03%	(1.46)
Adani Agri Logistics (Darbhanga) Limited	0.02%	14.02	-0.01%	(0.43)	-0.06%	(0.01)	-0.01%	(0.44)
Dermot Infracon Private Limited	0.20%	135.92	0.00%	(0.14)	0.00%	-	0.00%	(0.14)
Dhamra Infrastructure Private Limited	0.04%	29.79	0.00%	(0.14)	0.00%	-	0.00%	(0.14)
Adani Logistics Services Private Limited	0.55%	365.50	1.42%	62.47	-0.41%	(0.10)	1.41%	62.37
Adani Noble Private Limited	0.03%	18.81	0.01%	0.35	0.00%	-	0.01%	0.35
Adani Forwarding Agent Private Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Cargo Logistics Private Limited	0.00%	1.16	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Logistics Infrastructure Private Limited	0.00%	1.14	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Pipelines Private Limited	0.00%	0.04	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Krishnapatnam Port Limited	3.40%	2,259.12	3.48%	153.46	-51.40%	(12.35)	3.18%	141.11
Adani Krishnapatnam Container Terminal Private Limited	0.02%	14.04	-0.01%	(0.43)	3.10%	0.74	0.01%	0.31
Adani KP Agriwarehousing Private Limited	0.00%	-	0.03%	1.53	0.00%	-	0.03%	1.53
Dighi Port Limited	1.18%	783.93	-0.87%	(38.55)	-0.04%	(0.01)	-0.87%	(38.56)
Sulochana Pedestal Private Limited	0.60%	400.09	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
NRC Limited	0.43%	287.84	1.67%	73.75	0.00%	-	1.66%	73.75
Shankheshwar Buildwell Private Limited	0.44%	294.13	0.00%	(0.17)	0.00%	-	0.00%	(0.17)
Aqua Desilting Private Limited	0.00%	0.01	0.00%	-*	0.00%	-	0.00%	-
Mundra Solar Technopark Private Limited*	0.47%	316.02	0.00%	-	0.00%	-	0.00%	-
Adani Tracks Management Services Private Limited*	1.36%	906.13	8.23%	362.82	-0.09%	(0.02)	8.19%	362.80
AYN Logistics Infra Private Limited*	0.00%	(0.04)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Gangavaram Port Private Limited#	0.00%	0.01	0.00%	(0.05)	0.00%	-	0.00%	(0.05)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss (Contd...)

₹ in crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Seabird Distriparks (Krishnapatnam) Private Limited*	0.00%	1.57	-0.02%	(0.96)	0.00%	-	-0.02%	(0.96)
HDC Bulk Terminal Limited#	0.00%	0.05	0.00%	-*	0.00%	-	0.00%	-
<b>Foreign</b>								
Abbot Point Operations Pty Limited (Consolidated)	0.18%	121.32	0.69%	30.26	0.00%	-	0.68%	30.26
Pearl Port Pte. Limited	0.00%	(0.14)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Noble Port Pte. Limited	0.00%	(0.12)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Coastal International Terminals Pte Limited	-0.10%	(68.86)	-0.47%	(20.55)	0.00%	-	-0.46%	(20.55)
Anchor Port Holding Pte Limited	-0.01%	(6.87)	-0.05%	(2.34)	0.00%	-	-0.05%	(2.34)
Adani Bangladesh Ports Private Limited	0.01%	5.92	0.12%	5.11	0.00%	-	0.12%	5.11
Adani Yangon International Terminal Company Limited	0.58%	388.20	0.00%	(0.16)	0.00%	-	0.00%	(0.16)
Bowen Rail Operations Pte Limited (Up to July 14, 2021)	0.00%	-	0.00%	-*	0.00%	-	0.00%	-
Bowen Rail Company Pty Limited (Up to July 14, 2021)	0.00%	-	-0.16%	(7.24)	0.00%	-	-0.16%	(7.24)
Adani Logistics International Pte Limited#	0.00%	(0.05)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Adani International Ports Holdings Pte Ltd#	0.00%	(0.64)	-0.02%	(0.66)	0.00%	-	-0.01%	(0.66)
Colombo West International Terminal (Private) Limited#	0.32%	215.59	-0.26%	(11.56)	0.00%	-	-0.26%	(11.56)
<b>Non-controlling interest</b>	-0.59%	(392.77)	-1.52%	(67.15)	-6.70%	(1.61)	-1.55%	(68.76)
<b>Joint Venture Entities</b>								
<b>Indian</b>								
Adani International Container Terminal Private Limited	0.62%	412.45	2.93%	128.93	-0.35%	(0.09)	2.91%	128.85
Adani CMA Mundra Terminal Private Limited	0.07%	44.72	1.04%	45.78	-0.27%	(0.07)	1.03%	45.72
Adani NYK Auto Logistics Solutions Private Limited	0.00%	0.73	-0.03%	(1.35)	0.00%	-	-0.03%	(1.35)
Adani Total Private Limited (Consolidated)	0.91%	607.15	0.42%	18.69	141.47%	33.98	1.19%	52.67
Dighi Roha Rail Limited	0.00%	(0.42)	0.00%	-	0.00%	-	0.00%	-
EZR Technologies Private Limited#	0.00%	0.03	0.00%	(0.00)	0.00%	-	0.00%	(0.00)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss (Contd...)

₹ in crore

Name of entity	As at and for the year ended March 31, 2022							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani KP Agriwarehousing Private Limited	0.01%	3.43	-0.02%	(0.83)	0.00%	-	-0.02%	(0.83)
<b>Associate Entity</b>								
<b>Indian</b>								
Gangavaram Port Limited* (Consolidated)	1.92%	1,277.26	6.70%	295.22	0.94%	0.23	6.67%	295.45
<b>Sub total</b>	<b>100%</b>	<b>66,537.12</b>	<b>100%</b>	<b>4,407.56</b>	<b>100%</b>	<b>24.02</b>	<b>100%</b>	<b>4,431.58</b>
CFS Adjustments and Eliminations		(28,287.12)		320.53		(99.63)		220.90
<b>Total</b>	<b>100%</b>	<b>38,250.00</b>	<b>100%</b>	<b>4,728.09</b>	<b>100%</b>	<b>(75.61)</b>	<b>100%</b>	<b>4,652.48</b>

-\* Figures being nullified on conversion to ₹ in crore.

\* Company acquired during the year

# Company incorporated during the year.

₹ in crore

Name of entity	As at and for the year ended March 31, 2021							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
<b>Parent Company</b>								
Adani Ports and Special Economic Zone Limited	43.15%	21,801.28	36.51%	1,927.93	-15.23%	8.18	37.05%	1,936.11
<b>Subsidiary Companies</b>								
<b>Indian</b>								
The Adani Harbour Services Limited	9.31%	4,706.13	25.95%	1,370.24	-0.08%	0.04	26.22%	1,370.29
Adani Hazira Port Limited	7.04%	3,554.72	15.20%	802.42	-0.32%	0.17	15.36%	802.60
Adani Logistics Limited	12.12%	6,123.07	2.10%	110.66	38.08%	(20.45)	1.73%	90.22
The Dhamra Port Company Limited	10.48%	5,293.65	7.43%	392.32	-0.12%	0.06	7.51%	392.38
Adani Petronet (Dahej) Port Private Limited	1.90%	960.59	1.64%	86.81	2.92%	(1.57)	1.63%	85.24
Shanti Sagar International Dredging Limited	1.68%	849.93	9.27%	489.47	0.09%	(0.05)	9.36%	489.42
Adani Murmugao Port Terminal Private Limited	-0.51%	(259.85)	-0.76%	(39.89)	-0.07%	0.04	-0.76%	(39.85)
Adani Vizag Coal Terminal Private Limited	-0.51%	(256.45)	-0.73%	(38.32)	-0.03%	0.01	-0.73%	(38.31)
Adani Warehousing Services Private Limited	0.01%	3.19	-0.02%	(1.27)	0.00%	-	-0.02%	(1.27)
Adani Hospitals Mundra Private Limited	0.01%	3.30	-0.01%	(0.73)	-0.03%	0.02	-0.01%	(0.72)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss (Contd...)

₹ in crore

Name of entity	As at and for the year ended March 31, 2021							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Mundra International Airport Private Limited	0.01%	3.97	-0.03%	(1.56)	0.00%	-	-0.03%	(1.56)
Mundra Sez Textile And Apparel Park Private Limited	-0.06%	(32.16)	-0.07%	(3.79)	0.00%	-	-0.07%	(3.79)
Adinath Polyfills Private Limited	0.00%	(1.51)	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
MPSEZ Utilities Limited	0.24%	119.88	0.43%	22.90	-0.03%	0.02	0.44%	22.92
Adani Ennore Container Terminal Private Limited	0.75%	377.06	-1.04%	(55.04)	0.07%	(0.03)	-1.05%	(55.08)
Adani Vizhinjam Port Private Limited	1.72%	866.55	-0.15%	(8.01)	0.00%	-	-0.15%	(8.01)
Adani Kattupalli Port Limited	0.05%	22.79	0.03%	1.72	0.00%	-	0.03%	1.72
Karnavati Aviation Private Limited	0.36%	179.44	0.13%	6.77	0.00%	-*	0.13%	6.77
Hazira Infrastructure Limited	0.05%	26.57	0.01%	0.68	0.00%	-	0.01%	0.68
Adani Ports Technologies Private Limited	0.00%	0.03	0.00%	-*	0.00%	-	0.00%	-*
Mundra Crude Oil Terminal Private Limited	0.00%	0.04	0.00%	-*	0.00%	-	0.00%	-*
Marine Infrastructure Developer Private Limited	4.08%	2,061.99	0.80%	42.05	0.56%	(0.30)	0.80%	41.75
Blue Star Realtors Limited	0.48%	240.66	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
Madurai Infrastructure Private Limited	0.45%	228.70	0.00%	0.01	0.00%	-	0.00%	0.01
Dholera Port And Special Economic Zone Limited	-0.01%	(3.38)	-0.01%	(0.30)	0.00%	-	-0.01%	(0.30)
Adani Kandla Bulk Terminal Private Limited	-0.55%	(279.80)	-1.48%	(78.26)	-0.03%	0.02	-1.50%	(78.24)
Dholera Infrastructure Private Limited	-0.01%	(4.06)	-0.01%	(0.35)	0.00%	-	-0.01%	(0.35)
Adani Agri Logistics Limited	1.00%	505.83	-0.05%	(2.84)	-0.14%	0.08	-0.05%	(2.76)
Adani Agri Logistics (MP) Limited	0.00%	0.18	0.00%	(0.17)	0.00%	-*	0.00%	(0.17)
Adani Agri Logistics (Harda) Limited	0.00%	1.54	0.00%	0.15	0.00%	-*	0.00%	0.15
Adani Agri Logistics (Hoshangabad) Limited	0.00%	1.40	0.01%	0.35	0.00%	-*	0.01%	0.35
Adani Agri Logistics (Satna) Limited	0.00%	1.04	0.00%	-*	0.00%	-*	0.00%	-*
Adani Agri Logistics (Ujjain) Limited	0.01%	4.02	0.00%	0.22	-0.02%	0.01	0.00%	0.23
Adani Agri Logistics (Dewas) Limited	0.01%	3.11	0.01%	0.51	0.00%	-*	0.01%	0.51

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss (Contd...)

₹ in crore

Name of entity	As at and for the year ended March 31, 2021							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Agri Logistics (Katihar) Limited	-0.01%	(3.73)	-0.06%	(3.01)	0.00%	-	-0.06%	(3.01)
Adani Agri Logistics (Kotkapura) Limited	0.01%	3.49	0.01%	0.35	0.00%	-*	0.01%	0.35
Adani Agri Logistics (Kannauj) Limited	0.07%	36.70	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Agri Logistics (Panipat) Limited	0.00%	(0.48)	-0.01%	(0.64)	0.00%	-	-0.01%	(0.64)
Adani Agri Logistics (Moga) Limited	0.01%	6.66	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
Adani Agri Logistics (Mansa) Limited	0.01%	3.86	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Adani Agri Logistics (Bathinda) Limited	0.00%	0.05	-0.02%	(1.04)	0.00%	-	-0.02%	(1.04)
Adani Agri Logistics (Barnala) Limited	0.02%	7.71	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Adani Agri Logistics (Nakodar) Limited	0.01%	6.23	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Adani Agri Logistics (Raman) Limited	0.01%	5.16	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
Adani Agri Logistics (Dahod) Limited	0.00%	(0.02)	-0.05%	(2.72)	0.00%	-	-0.05%	(2.72)
Adani Warehousing Limited	0.00%	(0.01)	0.00%	(0.17)	0.00%	-	0.00%	(0.17)
Adani Agri Logistics (Dhamora) Limited	0.01%	5.67	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Adani Agri Logistics (Samastipur) Limited	0.00%	(0.03)	-0.01%	(0.29)	0.00%	-	-0.01%	(0.29)
Adani Agri Logistics (Darbhanga) Limited	0.00%	(0.13)	-0.01%	(0.45)	0.00%	-	-0.01%	(0.45)
Dermot Infracon Private Limited	0.27%	135.93	0.00%	(0.18)	0.00%	-	0.00%	(0.18)
Dhamra Infrastructure Private Limited	0.06%	29.84	0.00%	(0.07)	0.00%	-	0.00%	(0.07)
Adani Tracks Management Services Private Limited	0.00%	0.05	0.00%	-*	0.00%	-	0.00%	-*
Adani Logistics Services Private Limited	0.60%	303.13	1.02%	53.98	-0.08%	0.04	1.03%	54.02
Adani Noble Private Limited	0.04%	19.16	0.00%	(0.13)	0.00%	-	0.00%	(0.13)
Adani Forwarding Agent Private Limited	0.00%	-*	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Cargo Logistics Private Limited	0.00%	1.16	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Logistics Infrastructure Private Limited	0.00%	1.14	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Adani Pipelines Private Limited	0.00%	0.04	0.00%	-*	0.00%	-	0.00%	-*
Adani Krishnapatnam Port Limited	4.19%	2,118.01	0.06%	3.23	80.10%	(43.02)	-0.76%	(39.79)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss (Contd...)

₹ in crore

Name of entity	As at and for the year ended March 31, 2021							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Adani Krishnapatnam Container Terminal Private Limited	0.03%	13.73	0.10%	5.33	-0.26%	0.14	0.10%	5.47
Adani KP Agriwarehousing Private Limited	0.04%	18.77	-0.02%	(0.88)	0.00%	-	-0.02%	(0.88)
Dighi Port Limited	0.11%	57.59	-0.22%	(11.73)	0.00%	-	-0.22%	(11.73)
Sulochana Pedestal Private Limited	0.79%	398.87	0.00%	-	0.00%	-	0.00%	-
NRC Limited	-0.32%	(161.44)	0.00%	-	0.00%	-	0.00%	-
Shankheshwar Buildwell Private Limited	0.53%	269.26	0.00%	-	0.00%	-	0.00%	-
Aqua Desilting Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Foreign</b>								
Abbot Point Operations Pty Limited (Consolidated)	0.18%	88.43	0.45%	23.88	0.00%	-	0.46%	23.88
Pearl Port Pte. Limited	0.00%	(0.09)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Noble Port Pte. Limited	0.00%	(0.09)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Coastal International Terminals Pte Limited	-0.09%	(43.98)	-0.53%	(28.19)	0.00%	-	-0.54%	(28.19)
Anchor Port Holding Pte Limited	-0.01%	(4.33)	-0.08%	(4.35)	0.00%	-	-0.08%	(4.35)
Adani Bangladesh Ports Private Limited	0.00%	0.74	0.01%	0.30	0.00%	-	0.01%	0.30
Adani Yangon International Terminal Company Limited	0.93%	468.31	0.00%	-	0.00%	-	0.00%	-
Bowen Rail Operations Pte Limited	0.00%	(0.03)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Bowen Rail Company Pty Limited	0.01%	6.27	0.11%	5.97	0.00%	-	0.11%	5.97
Adani Logistics International Pte Limited	0.00%	0.02	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
<b>Non-controlling interest</b>	-2.90%	(1,464.93)	-1.03%	(54.44)	-0.82%	0.44	-1.03%	(54.00)
<b>Joint Venture Entities</b>								
<b>Indian</b>								
Adani International Container Terminal Private Limited	0.56%	283.61	3.90%	205.70	-0.09%	0.05	3.94%	205.75
Adani CMA Mundra Terminal Private Limited	0.00%	(1.00)	1.51%	79.64	-0.06%	0.03	1.52%	79.67
Adani NYK Auto Logistics Solutions Private Limited	0.00%	2.08	-0.01%	(0.56)	0.00%	-	-0.01%	(0.56)
Adani Total Private Limited	0.74%	373.40	-0.19%	(10.28)	-0.04%	0.02	-0.20%	(10.26)
Dhamra LNG Terminal Private Limited	0.87%	441.00	-0.04%	(2.05)	-4.38%	2.35	0.01%	0.30

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 40. Additional information of net assets and share in profit or loss (Contd...)

₹ in crore

Name of entity	As at and for the year ended March 31, 2021							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive Income	Amount	as % of Consolidated Total Comprehensive Income	Amount
Total Adani Fuels Marketing Private Limited	0.00%	(1.18)	-0.02%	(1.18)	0.00%	-	-0.02%	(1.18)
Dighi Roha Rail Limited	0.00%	(0.42)	0.00%	-	0.00%	-	0.00%	-
<b>Associate Entity</b>								
<b>Indian</b>								
Snowman Logistics Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Sub total</b>	<b>100%</b>	<b>50,528.02</b>	<b>100%</b>	<b>5,279.89</b>	<b>100%</b>	<b>(53.70)</b>	<b>100%</b>	<b>5,226.19</b>
CFS Adjustments and Eliminations		(19,919.76)		(285.59)		38.22		(247.37)
<b>Total</b>	<b>100%</b>	<b>30,608.26</b>	<b>100%</b>	<b>4,994.30</b>	<b>100%</b>	<b>(15.48)</b>	<b>100%</b>	<b>4,978.82</b>

-\* Figures being nullified on conversion to ₹ in crore.

41. The Company had entered into preliminary agreement dated September 30, 2014 with a party for development and maintenance of Liquefied Natural Gas ("LNG") terminal infrastructure facilities at Mundra ("the LNG Project").

During the year ended March 31, 2020, due to the disputes between the Company and Customer with respect to construction, operation and maintenance of the LNG Project, part of the cost has been capitalised in Property, Plant and Equipment, Interim Settlement and Arbitration Agreement dated December 24, 2019 was executed. Pursuant thereto, ₹666 crore has been received and arbitration has been invoked by the Company. On July 08, 2020, the Company has filed its claim before Arbitral Tribunal. On October 07, 2020, the customer has also filed counter claim before Arbitral Tribunal. Pending further developments, no adjustments has been made till March 31, 2022.

42. The management has carried out detailed cash flow projections over the period of the concession agreement in determining the recoverable value of the Property, Plant and Equipment and Intangible Assets comprising of service concession rights in accordance with Ind AS 36, Impairment of Assets in case of Adani Kandla Bulk Terminal Private Limited ("AKBTPL"). During current year, AKBTPL was impacted due to lower cargo volumes, which seem to be the medium term trend, pursuant to which the cargo projections were reassessed at the reporting date. Basis such assessment, the Management has revisited the estimates relating to cargo traffic, port tariffs, inflation, discount rates, revenue share etc. which are reasonable over the entire concession period and concluded that the recoverable amount of Property, Plant and Equipment and Intangible Assets is higher than their carrying amounts of ₹687.11 crore as at March 31, 2022. Hence, no provision for impairment is considered necessary at this stage.

43. The management has carried out detailed cash flow projections over the period of the concession agreement in determining the recoverable value of the Property, Plant and Equipment and Intangible Assets comprising of service concession rights in accordance with Ind AS 36, Impairment of Assets in case of Adani Murmugao Port Terminal Private Limited ("AMPTPL"). AMPTPL was undergoing an arbitration with Murmugao Port Trust (MPT) for revenue share on deemed storage charges and loss of return of capital to AMPTPL due to failure of MPT to fulfil obligations as per concession agreement for a period till FY 2018-19. Post FY 2018-19, AMPTPL has received relief in terms of rationalized tariff on storage charges up to March 2020 from authorities and has filed application for similar relief for subsequent periods and awaiting approval.

Subsequent to the reporting date, the arbitration has been concluded which affirms AMPTPL's claim for loss of return of capital and also upheld revenue share on deemed storage for three-year period on the company. In earlier years, AMPTPL had made provision of ₹134.61 Crore for revenue share on deemed storage charges against which ₹40.50 Crore shall be payable as per the order. However, considering the cure period, the

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 43. The management has carried out (Contd...)

financial impact of the same is not considered in the financial results. The management has made various estimates relating to cargo traffic, port tariffs, inflation, discount rates, favorable order for revenue share etc. which are reasonable over the entire concession period and concluded that the recoverable amount of Property, Plant and Equipment and Intangible Assets is higher than their carrying amounts ₹275.88 crore as at March 31, 2022. Hence, no provision for impairment is considered necessary at this stage.

### 44. Impairment testing of Goodwill

Goodwill acquired through acquisitions and business combinations pertains to following Cash Generating Units (CGUs).

Particulars	₹ in Crore	
	As at March 31, 2022	As at March 31, 2021
The Dhamra Port Company Limited	2,559.31	2,559.31
Adani Kandla Bulk Terminal Private Limited	0.06	0.06
Abbot Point Bulkcoal Pty Limited	2.29	2.24
The Adani Harbour Services Private Limited	20.53	20.53
Adani Petronet (Dahej) Port Private Limited	0.22	0.22
Adani Logistics Limited	2.71	2.71
Adinath Polyfills Private Limited	37.42	37.42
Marine Infrastructure Developer Private Limited	143.26	143.26
Adani Agri Logistics Limited and its subsidiaries	455.84	455.84
Dermot Infracon Private Limited	0.02	0.02
Adani Logistics Services Private Limited and its subsidiaries	20.17	20.17
Adani Krishnapatnam Port Limited and its subsidiaries (refer note 38)	760.41	760.41
Mundra Solar Technopark Private Limited (refer note 38)	93.14	-
Sarguja Rail Corridor Private Limited pursuant to Composite Scheme (refer note 38)	1,777.64	-
Goodwill relating to Merger of Adani Port Limited	44.86	44.86
<b>Total</b>	<b>5,917.88</b>	<b>4,047.05</b>

#### Notes:

The goodwill is tested for impairment annually and as at March 31, 2022, the goodwill was not impaired.

The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates ranging from 5% to 20%.

The rates used to discount the forecasts is 9% to 13.5%.p.a.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount ₹5,917.88 crore (net of deferred tax liability ₹3,861.11 crore) to exceed its recoverable amount.

45. Adani Vizhinjam Port Private Limited ("AVPPL"), a wholly owned subsidiary of the Company was awarded Concession Agreement ("CA") dated August 17, 2015 by Government of Kerala for development of Vizhinjam International Deepwater Multipurpose Seaport ("Project"). In terms of the CA the scheduled Commercial Operation Date ("COD") of the Project was December 03, 2019 extendable to August 30, 2020 with certain conditions. As at reporting date, the Project development is still in progress although COD date is past due in terms of CA. In respect of delay in COD, the Company has made several representations to

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 45. Adani Vizhinjam Port Private Limited (Contd...)

Vizhinjam International Sea Port Limited ("VISL", the Implementing Agency on behalf of the Government) and Department of Ports, Government of Kerala in respect to difficulties faced by the Company including reasons attributable to the government authorities and Force Majeure events such as Ockhi Cyclone, High Waves, National Green Tribunal Order and COVID 19 pandemic etc. which led to delay in development of the project and the Company not achieving COD.

Considering the above reasons and authority's rights to terminate the CA on completion of extendable COD, the Company issued a Notice of Disputes to Secretary and Principle Secretary of Ports, Government of Kerala under Clause 45.1 of the CA on July 26, 2020 followed by a Notice of Conciliation on August 04, 2020 under Clause 45.2 of the CA. On November 07, 2020, the Company issued a Notice of Arbitration in terms of Clause 45.3 of the CA which led to commencement of the arbitration proceedings through appointment of the nominee arbitrator on behalf of the Authorities and presiding arbitrator respectively in the matter w.e.f. February 05, 2021 and February 25, 2021 respectively.

As at March 31, 2022 the arbitration proceedings continue and AVPPL and the Government of Kerala have filed their respective statement of claims along with supporting affidavits before the arbitral tribunal on June 04, 2021 and August 19, 2021. On September 17, 2021, AVPPL has also filed its reply to the counter claim filed by the Government of Kerala. The first three procedural hearing on the arbitration matters held on March 13, 2021, October 06, 2021 and November 19, 2021 wherein terms of arbitration, finalization of summary of disputes, schedule of trial hearings and course of action has been discussed and agreed between the parties. Subsequent to year end, AVPPL has filed affidavits of witnesses on April 25, 2022 and is in the process of filing additional affidavits of Witnesses as on reporting date. Also, as per the Communication from the Arbitral Tribunal trial hearings of Witnesses are re-scheduled in July 2022 and the matter is presently sub judice.

Pending resolution of disputes with the VISL, authorities and arbitration proceedings still in progress, the Government Authorities continue to have right to take certain adverse action including termination of the Concession Agreement and levying liquidated damages at a rate of 0.1% of the amount of performance security for each day of delay in project completion in terms of the CA.

The management represents that the project development is in progress with revised timelines which has to be agreed with authorities. The Group is committed to develop the project and has tied up additional equity and debt funds and also received extension in validity of the environmental clearance from the Government for completion of the Project. Based on the above developments and on the basis of favorable legal opinion from the external legal counsel in respect of likely outcome of the arbitration proceedings, the management believes it is not likely to have significant financial impact on account of the disputes which are required to be considered for the purpose of these financial statements.

46. Pursuant to Build, own, operate agreement with Food corporation of India (FCI), subsidiary company Adani Agri Logistics Limited ("AALL") developed a field depot on leasehold land owned by eastern railways (lessor), upon expiry of the lease agreement, the lessor could not renew lease agreement and consequently the company could not transport food grains at same depot. Thus resulted in FCI stopping payment for revenues. Accordingly company has stopped recognizing the revenue for the said period. Subsequently AALL had filed a writ petition before Kolkata high court which directed the lessor to resolve the matter amicably. On account of no amicable resolution of the same, AALL filed second writ petition, pending the matter with high court, company approached Ministry of Consumer affairs, food and public distribution (food ministry) for taking up the matter with Ministry of Railways, which directed the land can be given on lease to FCI. As a result of which, AALL had withdrawn its writ petition. The process of leasing out the land is in progress. AALL expects that the matter would be resolved positively and depot will get operational in due course of time.
47. The subsidiary company Adani Agri Logistics Limited ("AALL") had entered into an Agreement with FCI on June 28, 2005 for a concession period of 20 years from "Operations Date", One of the obligations to be fulfilled by AALL was to provide certain number of specialized wagons (i.e., Rakes). AALL initially procured 260 wagons i.e., 5 rakes. However, FCI insisted for 364 wagons i.e., 7 rakes. Eventually, the Company procured 104 more wagons i.e., two more rakes to make total of 7 rakes on September 28, 2013. As per contract, FCI was supposed to give Annual Guaranteed Tonnage (AGT) and WPI based escalation in service charges.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 47. The subsidiary company Adani Agri Logistics Limited (Contd...)

Since FCI considered September 28, 2013 as the actual "Operations date", they did not give WPI escalation to the Company for the period from 2007 till September 28, 2013. FCI also did not give Guaranteed Tonnage for this period. FCI kept this period on Actual Utilization Basis (AUB). Also, FCI kept the 20 years' Concession Period from 2007 till 2027. As per Agreement terms, the AGT will be reduced from 100% to 75% from 11<sup>th</sup> year of operations. Since FCI considered 2007 as first year of operations, the AGT was reduced to 75% from 2017 i.e., 11<sup>th</sup> year of operations. The matter was referred to Arbitration Tribunal, AALL prayed as follows:

- a) FCI should pay WPI based escalation from 2007 as AALL had been providing uninterrupted services to FCI since beginning. WPI is kept to absorb inflation irrespective of the fact that the unit was on AGT or AUB.
- b) Alternatively, if FCI considers September 28, 2013 as "Operations Date", the 20 years' Concession Period should be fixed from 2013 till 2033.

On 2<sup>nd</sup> October, 2021 Arbitral Award was pronounced in the favor of AALL, as per the award Service Period in terms of Clause 4.1 of the Service Agreement (20 years) must be reckoned from 28.09.2013 as a result of which AALL's concession period has been extended by 6 years upto 2033. Further FCI has filed appeal against the Arbitral Award in High Court.

48. During the year ended March 31, 2022, revenue from operations includes income from completion of development of Jetty infrastructure which is given on Right-to-Use basis over the concession period and upfront realized fair value considerations of the Jetty infrastructure. The relevant cost of construction has been included in operating expenses. (refer note 21)

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

50. In compliance with Ministry of Corporate Affairs notification w.r.t. amendment in Schedule III to the Companies Act, 2013 effective from April 01, 2021, figures for comparative previous year have been regrouped/ reclassified, wherever necessary.

### 51. Based on information available with the Group, balances with Struck off Companies are as below

₹ in Crore

Name of the struck off company	Nature of transactions with struck off Company	Balance outstanding as at March 31, 2022	Relationship with the struck off company, if any, to be disclosed
Classic Enterprises Private Limited	Advance from Customer	0.06	Customer
Sumeet Silk Mills	Advance from Customer	*	Customer
Entire Logistics Private Limited	Rendering of Services	*	Customer
Trans Tools Private Limited	Rendering of Services	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
Shiv Bhole Logistics And Shipping Private Limited	Deposit from Customer	*	Customer
Deepika Electronics & Engineering Private Limited	Purchase of materials	0.04	Vendor
V I Furnishings Private Limited	Payable	0.02	Vendor
Five Star Stevedores Private Limited	Services availed	0.02	Vendor
Cream Packs Private Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in crore

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 51. Based on information available with the Group, balances with Struck off Companies (Contd...)

₹ in Crore

Name of the struck off company	Nature of transactions with struck off Company	Balance outstanding as at March 31, 2021	Relationship with the struck off company, if any, to be disclosed
Classic Enterprises Private Limited	Advance from Customer	*	Customer
Ocean Shell Projects Private Limited	Deposit from Customer	0.02	Customer
Shiv Bhole Logistics and Shipping Private Limited	Deposit from Customer	*	Customer
Deepika Electronics & Engineering Private Limited	Purchase of materials	0.11	Vendor
Five Star Stevedores Private Limited	Service availed	*	Vendor
Cream Packs Private Limited	NA	NA	Share Holder

\* Figures being nullified on conversion to ₹ in crore

### 52. Details of the funds loaned by the Group to Intermediaries for further Loan or investment to the Ultimate beneficiaries

₹ in Crore

Name of the intermediary to which the funds are advanced	Date on which funds are Loaned to Intermediary	Amount of funds Loaned	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Coastal International Terminals Pte Ltd (Formerly known as Adani International Terminals Pte Limited)	May 11, 2021	44.08	May 12, 2021	44.06	Adani Yangon International Terminal Company Limited
	July 06, 2021	37.28	July 07, 2021	37.37	
	August 17, 2021	18.58	August 20, 2021	18.61	
	September 27, 2021	10.70	September 27, 2021	10.68	
	October 18, 2021	15.07	October 21, 2021	2.24	
			October 26, 2021	12.77	
	November 15, 2021	29.00	November 17, 2021	29.01	
	November 22, 2021	44.66	November 24, 2021	44.64	
	January 25, 2022	88.97	January 27, 2022	46.61	
			February 03, 2022	7.49	
			February 07, 2022	1.49	
			February 15, 2022	3.03	
			March 4, 2022	25.88	
		March 28, 2022	5.34		
Adani International Ports Holdings Pte Limited	February 28, 2022	114.59	March 4, 2022	116.47	Colombo West International Terminal Private Limited
	March 03, 2022	0.76			

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 52. Details of the funds loaned by the Group (Contd...)

₹ in Crore

Name of the intermediary to which the funds are advanced	Date on which funds are Loaned to Intermediary	Amount of funds Loaned	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Adani Total Private Limited	May 28, 2021	3.60	July 01, 2021	3.60	Total Adani Fuels Marketing Private Limited
			July 20, 2021		
			November 26, 2021		
	July 15, 2021	361.94	July 19, 2021	361.94	Dhamra LNG Terminal Private Limited
March 21, 2022	250.00	March 22, 2022	250.00		

Note : In above figures, foreign currency values are converted in INR on respective date. There is no unutilised amount for the above transaction. Difference in amount is on account of foreign exchange fluctuation.

Complete details of the intermediary and Ultimate Beneficiary

Name of the entity	Registered Address	Relationship with the Company
Coastal International Terminals Pte Ltd (Formerly known as Adani International Terminals Pte Limited)	80, Raffles Place#33-20 UOB Plaza, Singapore 048624	Wholly Owned Subsidiary
Adani International Ports Holdings Pte Limited	17, Philip Street, #05-02 Grand Building, Singapore 048695	Wholly Owned Subsidiary
Adani Yangon International Terminal Company Limited	Plot No. 23 G/4 , 23R/ 2A, Ahlon Port Compound Ahlon Township, Yangon, Myanmar	Stepdown Subsidiary
Colombo West International Terminal (Private) Limited	117, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, Srilanka	Stepdown Subsidiary
Adani Total Private Limited	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat	Joint Venture entity
Dhamra LNG Terminal Private Limited	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat	Joint Venture entity
Total Adani Fuels Marketing Private Limited	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat	Joint Venture entity

### 53. Statutory information

- (i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- (ii) The Group was not required to file quarterly statement/returns of current assets with the banks or financial institutions w.r.t. secured working capital borrowings.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

### 54. Standards issued but not effective:

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

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

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

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

### 55. Events occurred after the Balance Sheet Date

- (i) The Board of Directors of the Company has recommended Equity dividend of ₹ 5 per equity share (previous year ₹ 5) on 2,11,23,73,230 equity shares.
- (ii) On April 21, 2022, the Company through its wholly owned subsidiary The Adani Harbor Services Limited has signed agreement with promoters, financial investors and other shareholders of Ocean Sparkle Limited (OSL) to acquire 100% equity stake of OSL for a consideration of ₹1,530 Crore.
- (iii) For binding share purchase agreement entered on May 22, 2022 refer note 39 (iii).
- (iv) For arbitration order received subsequent to reporting date refer note 43.

#### For and on behalf of the Board of Directors

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Karan Adani**  
Wholetime Director and CEO  
DIN: 03088095

**Date** : May 24, 2022

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Kamlesh Bhagia**  
Company Secretary

## FORM - AOC - 1

## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

## PART "A" :- Subsidiaries

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding	₹ in Crore, Foreign Currencies in Million	
1	The Adani Harbour Services Limited	2021-22	INR	57.69	6,187.48	6,886.97	641.79	-	1,796.59	1,595.58	1,539.12	(0.07)	1,539.05	-	100%		
2	Adani Hazira Port Limited	2021-22	INR	715.47	3,531.09	6,324.86	2,078.31	-	1,542.42	773.27	692.56	(0.73)	691.84	-	100%		
3	Adani Logistics Limited	2021-22	INR	655.00	7,027.76	8,551.12	868.36	978.15	838.14	62.39	47.04	(0.35)	46.69	-	100%		
4	The Dharma Port Company Limited	2021-22	INR	1,148.00	4,691.56	6,742.59	903.03	230.00	2,248.71	660.98	546.33	(0.42)	545.91	-	100%		
5	Adani Petronet (Dahe) Port Private Limited	2021-22	INR	346.15	776.62	1,205.89	83.12	65.39	424.49	186.45	186.77	(2.09)	184.68	15%	74%		
6	Shanti Sagar International Dredging Limited	2021-22	INR	135.05	982.52	1,630.99	513.42	-	541.54	278.35	267.67	(0.03)	267.64	-	100%		
7	Adani Murrumbidgee Port Terminal Private Limited	2021-22	INR	115.89	(418.45)	395.25	697.82	-	102.14	(42.62)	(42.62)	(0.09)	(42.71)	-	100%		
8	Adani Vizag Coal Terminal Private Limited	2021-22	INR	101.28	(407.84)	208.32	514.88	-	-	(50.11)	(50.11)	-*	(50.11)	-	100%		
9	Adani Warehousing Services Private Limited	2021-22	INR	0.05	(1.78)	15.68	17.40	-	18.31	(4.92)	(4.92)	-	(4.92)	-	100%		
10	Adani Hospitals Mundra Private Limited	2021-22	INR	0.30	3.49	9.90	6.11	-	18.35	0.53	0.58	(0.09)	0.49	-	100%		
11	Mundra International Airport Private Limited	2021-22	INR	3.50	(0.54)	6.12	3.16	-	1.61	(1.01)	(1.01)	-	(1.01)	-	100%		
12	Mundra SEZ Textile and Apparel Park Private Limited	2021-22	INR	4.91	(14.00)	39.97	49.06	-	5.32	(1.92)	(1.92)	-	(1.92)	-	55%		
13	Adinath Polyfills Private Limited	2021-22	INR	0.12	(1.75)	1.19	2.82	-	-	(0.12)	(0.12)	-	(0.12)	-	100%		
14	NPSEZ Utilities Limited	April 01, 2021 to December 15, 2021	INR	-	-	-	-	-	158.28	15.49	14.68	0.01	14.69	-	-		
15	Adani Ennore Container Terminal Private Limited	2021-22	INR	192.00	170.77	829.80	467.03	0.01	179.17	(14.24)	(14.29)	-*	(14.29)	-	100%		
16	Adani Vizhinjam Port Private Limited	2021-22	INR	897.00	1,243.69	3,463.25	1,322.56	1.42	-	(0.76)	(0.76)	-	(0.76)	-	100%		
17	Adani Katupalli Port Limited	2021-22	INR	0.05	25.62	33.10	7.43	-	16.87	3.91	2.89	-	2.89	-	100%		
18	Karnavati Aviation Private Limited	2021-22	INR	45.00	151.56	243.44	46.89	-	79.60	17.18	17.18	(0.07)	17.11	-	100%		
19	Hazira Infrastructure Limited	2021-22	INR	24.20	2.57	808.58	781.80	-	-	(0.02)	0.20	-	0.20	-	100%		
20	Adani Ports Technologies Private Limited	2021-22	INR	0.05	(0.01)	0.04	-*	0.03	-	(0.03)	(0.03)	-	(0.03)	-	100%		
21	Mundra Crude Oil Terminal Private Limited	2021-22	INR	0.05	207.79	384.54	176.70	-	-	(0.02)	(0.02)	-	(0.02)	-	100%		
22	Marine Infrastructure Developer Private Limited	2021-22	INR	400.00	1,649.09	2,332.82	283.73	0.01	178.50	(16.31)	(12.84)	(0.07)	(12.91)	-	97%		
23	Blue Star Realtors Limited	2021-22	INR	6.91	323.37	330.54	0.26	-	-	(0.29)	(0.29)	-	(0.29)	-	100%		
24	Mardul Infrastructure Private Limited	2021-22	INR	0.05	228.56	228.63	0.02	-	-	(0.08)	(0.09)	-	(0.09)	-	100%		
25	Dholera Port and Special Economic Zone Limited	2021-22	INR	1.61	(5.32)	0.17	3.88	-	-	(0.32)	(0.32)	-	(0.32)	-	49%		
26	Adani Kandla Bulk Terminal Private Limited	2021-22	INR	120.05	(521.33)	784.32	1,185.60	-	174.98	(121.34)	(121.34)	(0.15)	(121.48)	-	100%		

## FORM - AOC - 1

## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
27	Dholera Infrastructure Private Limited	2021-22	INR	0.01	(4.45)	0.07	4.52	-	-	(0.38)	(0.38)	-	(0.38)	-	49%
28	Adani Agri Logistics Limited	2021-22	INR	99.83	464.96	776.75	211.96	-	85.75	28.94	24.22	(0.25)	23.97	-	100%
29	Adani Agri Logistics (MP) Limited	2021-22	INR	1.00	(1.06)	13.48	13.54	-	1.28	(0.23)	(0.23)	(0.01)	(0.24)	-	100%
30	Adani Agri Logistics (Harda) Limited	2021-22	INR	1.00	0.74	14.04	12.29	-	1.16	0.21	0.21	(0.01)	0.21	-	100%
31	Adani Agri Logistics (Hoshangabad) Limited	2021-22	INR	1.00	0.66	13.79	12.13	-	1.19	0.28	0.28	(0.01)	0.27	-	100%
32	Adani Agri Logistics (Satna) Limited	2021-22	INR	1.00	0.37	13.39	12.02	-	1.30	0.34	0.34	*	0.34	-	100%
33	Adani Agri Logistics (Ujjain) Limited	2021-22	INR	1.00	2.77	10.26	6.49	-	1.02	(0.24)	(0.24)	(0.01)	(0.25)	-	100%
34	Adani Agri Logistics (Dewas) Limited	2021-22	INR	1.00	2.04	11.78	8.73	-	0.95	(0.06)	(0.06)	(0.01)	(0.07)	-	100%
35	Adani Agri Logistics (Kathar) Limited	2021-22	INR	1.00	3.95	50.32	45.37	-	0.63	0.45	0.31	*	0.31	-	100%
36	Adani Agri Logistics (Kotkapura) Limited	2021-22	INR	1.00	2.91	22.32	18.41	-	1.06	0.48	0.43	(0.01)	0.42	-	100%
37	Adani Agri Logistics (Kannaui) Limited	2021-22	INR	1.00	26.20	80.76	53.56	-	-	(0.92)	(0.90)	-	(0.90)	-	100%
38	Adani Agri Logistics (Panipat) Limited	2021-22	INR	1.00	57.51	102.17	43.66	-	-	(0.78)	(0.78)	-	(0.78)	-	100%
39	Adani Agri Logistics (Woga) Limited	2021-22	INR	1.00	5.66	7.16	0.50	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
40	Adani Agri Logistics (Mansa) Limited	2021-22	INR	1.00	2.86	3.86	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
41	Adani Agri Logistics (Bathinda) Limited	2021-22	INR	1.00	(0.95)	0.05	0.01	-	-	(0.02)	(0.02)	-	(0.02)	-	100%
42	Adani Agri Logistics (Barnala) Limited	2021-22	INR	1.00	6.70	7.71	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
43	Adani Agri Logistics (Nakodar) Limited	2021-22	INR	1.00	5.23	6.23	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
44	Adani Agri Logistics (Raman) Limited	2021-22	INR	1.00	4.16	5.17	0.01	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
45	Adani Agri Logistics (Dahod) Limited	2021-22	INR	0.05	(0.05)	0.47	0.48	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
46	Adani Warehousing Limited	2021-22	INR	0.05	(0.05)	*	*	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
47	Adani Agri Logistics (Dhamora) Limited	2021-22	INR	0.05	5.34	33.25	27.86	-	28.85	(1.55)	(1.55)	-	(1.55)	-	100%
48	Adani Agri Logistics (Samaspur) Limited	2021-22	INR	0.05	14.24	46.54	32.24	-	-	(1.44)	(1.44)	(0.02)	(1.46)	-	100%
49	Adani Agri Logistics (Darbhanga) Limited	2021-22	INR	0.05	13.97	47.05	33.02	-	-	(0.43)	(0.43)	(0.01)	(0.44)	-	100%
50	Dermot Infracon Private Limited	2021-22	INR	0.01	135.91	135.95	0.03	-	-	(0.14)	(0.14)	-	(0.14)	-	100%
51	Dhamra Infrastructure Private Limited	2021-22	INR	50.11	(20.32)	29.81	0.02	-	-	(0.14)	(0.14)	-	(0.14)	-	100%
52	Adani Logistics Services Private Limited	2021-22	INR	183.01	182.49	404.77	39.27	-	246.55	62.46	62.47	(0.10)	62.37	-	98.40%
53	Adani Noble Private Limited	2021-22	INR	0.05	18.76	18.87	0.06	-	0.33	0.35	0.35	-	0.35	-	98.40%

## FORM - AOC - 1

## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
54	Adani Forwarding Agent Private Limited	2021-22	INR	0.05	(0.05)	••	••	-	-	(0.01)	(0.01)	-	(0.01)	-	98.40%
55	Adani Cargo Logistics Private Limited	2021-22	INR	0.96	0.20	1.16	••	-	-	(0.01)	(0.01)	-	(0.01)	-	98.40%
56	Adani Logistics Infrastructure Private Limited	2021-22	INR	0.96	0.18	1.14	••	-	-	(0.01)	(0.01)	-	(0.01)	-	98.40%
57	Adani Pipelines Private Limited	2021-22	INR	0.05	(0.01)	0.04	••	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
58	Adani Krishnapatnam Port Limited	2021-22	INR	88.58	2,170.54	9,459.45	7,200.34	133.82	1,974.24	(218.79)	153.46	(12.35)	141.11	-	100%
59	Adani Krishnapatnam Container Terminal Private Limited	2021-22	INR	0.01	14.03	27.34	13.30	-	44.07	(0.62)	(0.43)	0.74	0.31	-	100%
60	Adani KP Agriwarehouseing Private Limited#	April 01, 2021 to December 31, 2021	INR	-	-	-	-	-	-	1.53	1.53	-	1.53	-	74%
61	Dighi Port Limited	2021-22	INR	1.00	782.93	794.20	10.27	0.05	8.96	(38.55)	(38.55)	(0.01)	(38.56)	-	100%
62	Sulochana Pedestal Private Limited	2021-22	INR	1.00	399.09	400.11	0.02	-	-	(0.02)	(0.02)	-	(0.02)	-	100%
63	NRC Limited	2021-22	INR	10.00	277.84	399.80	111.96	-	74.29	73.75	73.75	-	73.75	-	100%
64	Shankeshwar Buildwell Private Limited	2021-22	INR	10.01	284.12	294.19	0.06	-	-	(0.17)	(0.17)	-	(0.17)	-	100%
65	Aqua Desilting Private Limited	2021-22	INR	0.01	••	0.01	••	-	-	••	••	-	••	-	100%
66	Mundra Solar Technopark Private Limited	March 30, 2022 to March 31, 2022	INR	4.98	311.04	1,333.05	1,017.03	0.05	-	-	-	-	-	-	49%
67	Adani Tracis Management Services Private Limited (Formerly Saiguja Rail Corridor Private Limited)	2021-22	INR	200.00	706.13	2,696.25	1,790.13	-	940.00	479.15	362.82	(0.02)	362.80	-	100%
68	AYN Logistics Infra Private Limited	May 04, 2021 to March 31, 2022	INR	0.01	(0.05)	2.57	2.61	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
69	Adani Gangavaram Port Private Limited	July 14, 2021 to March 31, 2022	INR	0.05	(0.05)	0.05	0.04	-	-	(0.05)	(0.05)	-	(0.05)	-	100%
70	Seabird Districts (Krishnapatnam) Private Limited	January 29, 2022 to March 31, 2022	INR	0.31	1.26	32.97	31.40	-	0.26	(0.99)	(0.96)	-	(0.96)	-	100%
71	HDC Bulk Terminal Limited	March 07, 2022 to March 31, 2022	INR	0.05	-	0.05	••	-	-	••	••	-	••	-	100%
72	Abbot Point Operations Pty Limited	2021-22	INR	0.57	120.75	309.41	188.08	-	627.01	45.70	30.26	-	30.26	-	100%
			AUD	0.10	21.28	54.53	33.15	-	114.10	8.32	5.51	-	5.51	-	
73	Pearl Port Pte. Limited	2021-22	INR	0.01	(0.15)	-	0.14	-	-	(0.05)	(0.05)	-	(0.05)	-	100%
			USD	••	(0.02)	-	0.02	-	-	(0.01)	(0.01)	-	(0.01)	-	
74	Noble Port Pte. Limited	2021-22	INR	0.01	(0.12)	-	0.12	-	-	(0.03)	(0.03)	-	(0.03)	-	100%
			USD	••	(0.02)	-	0.02	-	-	••	••	-	••	-	
75	Coastal International Terminals Pte Limited	2021-22	INR	0.01	(68.86)	1,417.11	1,485.97	-	-	(20.55)	(20.55)	-	(20.55)	-	100%
			USD	••	(9.09)	186.97	196.06	-	-	(2.77)	(2.77)	-	(2.77)	-	

## FORM - AOC - 1

## Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

No	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding	₹ in Crore, Foreign Currencies in Million	
76	Anchor-Port Holding Pte Ltd	2021-22	INR	0.05	(6.92)	0.53	7.41	-	1.60	(2.34)	(2.34)	-	(2.34)	-	100%		
			USD	0.01	(0.91)	0.07	0.98	-	0.21	(0.32)	(0.32)	-	(0.32)	-			
77	Adani Bangladesh Ports Private Limited	2021-22	INR	0.49	5.43	8.35	2.43	-	11.09	7.29	5.11	-	5.11	-	100%		
			BDT	5.53	61.69	94.83	27.61	-	127.34	83.79	58.65	-	58.65	-			
78	Adani Yangon International Terminal Company Limited	2021-22	INR	388.36	(0.16)	1,552.66	1,164.46	-	-	(0.16)	(0.16)	-	(0.16)	-	100%		
			MMK	90,992.53	(37.23)	3,63,787.48	2,72,832.18	-	-	(37.23)	(37.23)	-	(37.23)	-			
79	Bowen Rail Operation Pte. Limited	April 01, 2021 to July 14, 2021	INR	-	-	-	-	-	-	-	-	-	-	-	-		
			AUD	-	-	-	-	-	-	-	-	-	-	-	-		
80	Bowen Rail Company Pty Limited	April 01, 2021 to July 14, 2021	INR	-	-	-	-	-	-	(9.89)	(7.24)	-	(7.24)	-	-		
			AUD	-	-	-	-	-	-	(1.80)	(1.32)	-	(1.32)	-			
81	Adani Logistics International Pte Limited	2021-22	INR	0.03	(0.08)	0.03	0.08	-	-	(0.02)	(0.02)	-	(0.02)	-	100%		
			USD	.*	(0.01)	.*	0.01	-	-	.*	.*	-	.*	-			
82	Adani International Ports Holdings Pte Limited	June 16, 2021 to March 31, 2022	INR	0.04	(0.68)	116.23	116.87	-	-	(0.66)	(0.66)	-	(0.66)	-	100%		
			USD	0.01	(0.09)	15.34	15.42	-	-	(0.09)	(0.09)	-	(0.09)	-			
83	Colombo West International Terminal (Private) Limited	April 28, 2021 to March 31, 2022	INR	227.38	(11.79)	1,436.91	1,221.32	-	-	(11.56)	(11.56)	-	(11.56)	-	51%		
			USD	30.00	(1.56)	189.58	161.14	-	-	(1.56)	(1.56)	-	(1.56)	-			

\* Figures being nullified on conversion to ₹ in crore and foreign currency in Million

# Accounted using equity method w.e.f January 01, 2022.

Notes:

## (A) Names of companies ceased to be subsidiaries due to loss of control/dilution of stake in subsidiaries

- Bowen Rail Company Pty Limited
- Bowen Rail Operations Pte Limited
- MPSEZ Utilities Limited
- Adani KP Agriwarehousing Private Limited

## FORM - AOC - 1

**Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014**

**(B) Names of subsidiaries which are yet to commence operations**

- Hazira Infrastructure Limited	- Adani Agri Logistics (Kannauj) Limited
- Madurai Infrastructure Private Limited	- Adani Agri Logistics (Panipat) Limited
- Adani Vizhinjam Port Private Limited	- Adani Agri Logistics (Raman) Limited
- Dholera Port And Special Economic Zone Limited	- Adani Agri Logistics (Nakodar) Limited
- Dholera Infrastructure Private Limited	- Adani Agri Logistics (Barnala) Limited
- Coastal International Terminals Pte Limited	- Adani Agri Logistics (Bathinda) Limited
- Pearl Port Pte. Limited	- Adani Agri Logistics (Mansa) Limited
- Noble Port Pte. Limited	- Adani Agri Logistics (Moga) Limited
- Blue Star Realtors Limited	- Adani Warehousing Limited
- Dermot Infracon Private Limited	- Adani Agri Logistics (Dahod) Limited
- Mundra Crude Oil Terminal Private Limited	- Adani Agri Logistics (Dhamora) Limited
- Adani Ports Technologies Private Limited	- Adani Agri Logistics (Samastipur) Limited
- Adani Logistics International Pte Limited	- Adani Agri Logistics (Darbhanga) Limited
- Adani International Ports Holdings Pte Limited	- Adani Yangon International Terminal Company Limited
- Adani Cargo Logistics Private Limited	- Adani Pipelines Private Limited
- Adani Logistics Infrastructure Private Limited	- Adani Forwarding Agent Private Limited
- Dhamra Infrastructure Private Limited	- Aqua Desilting Private Limited
- Sulochana Pedestal Private Limited	- NRC Limited
- Shankheshwar Buildwell Private Limited	- HDC Bulk Terminal Limited
- AYN Logistics Infra Private Limited	- Adani Gangavaram Port Private Limited
- Colombo West International Terminal (Private) Limited	

**FORM - AOC - 1**  
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associates and Joint Ventures  
PART "B" :- Associates and Joint Ventures

Sr No	Name of Joint Venture	Latest Audited Balance Sheet Date	Shares of Joint Ventures held by the company on the year end		Extend of holding	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year	
			No of Shares	Amount of Investment in Joint Venture					Amount considered in Consolidation	Amount not considered in Consolidation
1	Adani International Container Terminal Private Limited	March 31, 2022	32,22,31,817	341.03	50%	Note - A	NA	412.45	-	128.93
2	Adani CMA Mundra Terminal Private Limited	March 31, 2022	5,93,78,278	63.86	50%	Note - A	NA	44.72	-	45.78
3	Adani NYK Auto Logistics Solutions Private Limited	March 31, 2022	30,60,000	3.06	51%	Note - A	NA	0.73	(1.35)	-
4	Adani Total Private Limited (Consolidated)	March 31, 2022	2,02,00,000	20.20	50%	Note - A	NA	607.15	18.69	-
5	Adani KP Agriwarehouse Private Limited (Krishnapatnam AgriWarehousing Company Private Limited)	March 31, 2022	74,000	8.32	74%	Note - A	NA	3.43	(0.83)	-
6	Dighi Rona Rail Limited	March 31, 2022	50,000	0.05	50%	Note - A	NA	(0.42)	-	-
7	Gangavaram Port Limited (Consolidated)	March 31, 2022	21,65,86,699	2,624.88	42%	Note - A	NA	1,277.26	295.22	-
8	EZR Technologies Private Limited	March 31, 2022	25,500	0.03	51%	Note - A	NA	0.03	*	-

-\* Figures being nullified on conversion to ₹ in crore

**Note:**

(1) There is significant influence/joint control due to percentage (%) of Share holding.

For and on behalf of the Board of Directors

**Gautam S. Adani**  
Chairman and Managing Director  
DIN : 00006273

**Rajesh S. Adani**  
Director  
DIN : 00006322

**Karan Adani**  
Wholetime Director and CEO  
DIN : 03088095

**Kamlesh Bhagia**  
Company Secretary

Place : Ahmedabad  
Date: May 24, 2022

## NOTICE

NOTICE is hereby given that the 23<sup>rd</sup> Annual General Meeting ("AGM") of Adani Ports and Special Economic Zone Limited ("APSEZ"/"Company") will be held on Tuesday, 26<sup>th</sup> July, 2022 at 11:00 a.m. through Video Conferencing/ Other Audio Visual Means to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat.

### Ordinary Business:

1. To receive, consider and adopt the –
  - a. audited financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2022 together with the Reports of the Board of Directors and Auditors thereon; and
  - b. audited consolidated financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2022 together with the report of Auditors thereon;
2. To declare Final Dividend on Equity Shares for the financial year 2021-22.
3. To declare Dividend on Preference Shares for the financial year 2021-22.
4. To appoint a Director in place of Mr. Rajesh S. Adani (DIN: 00006322), who retires by rotation and being eligible, offers himself for re-appointment.

**Explanation:** Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr. Rajesh S. Adani, Non-Executive Non-Independent Director who has been on the Board of the Company since its inception and whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment.

Therefore, the shareholders are requested to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Rajesh S. Adani (DIN: 00006322), who retires by rotation, be and is hereby re-appointed as a Director retiring by rotation."

5. To consider and if thought fit, approve the re-appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company for a second term of five years and to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if

any, of the Companies Act, 2013 read with Rules framed thereunder, as amended from time to time, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.: 117366W/W100018) be and is hereby re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of this AGM till the conclusion of 28<sup>th</sup> AGM of the Company to be held in the year 2027 on such remuneration (including certification fees) and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Board of Directors of the Company."

### Special Business:

6. To consider and if thought fit, approve the re-appointment of Mr. Gautam S. Adani (DIN: 00006273) as Managing Director of the Company for a period of five years w.e.f 1<sup>st</sup> July, 2022 and to pass with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the requisite approvals, if any required, approval of the shareholders be and is hereby accorded to the re-appointment of Mr. Gautam S. Adani (DIN: 00006273) as a Managing Director of the Company, for a period of five years w.e.f. 1<sup>st</sup> July, 2022 on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration so as the total remuneration payable to him shall not exceed the limits specified in Schedule V of the Act including any statutory modification or re-enactment thereof, for the time being in force and as agreed by and between the Board and Mr. Gautam S. Adani.

**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Act, wherein any financial year the Company has no profits or inadequate profit, Mr. Gautam S. Adani will be paid minimum remuneration within the ceiling limit prescribed under Schedule V of the Act or any modification or re-enactment thereof.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V of the Act, the Board be and is hereby authorized to vary and alter the terms of appointment including salary, perks and other benefits payable to Mr. Gautam S. Adani within such prescribed limit or ceiling as agreed by and between the Board and Mr. Gautam S. Adani without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors or its Committee thereof be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit, approve the re-appointment of Mr. Karan Adani (DIN: 03088095) as Whole Time Director of the Company for a period of five years w.e.f 24<sup>th</sup> May, 2022 and to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the requisite approvals, if any required, approval of the shareholders be and is hereby accorded to the re-appointment of Mr. Karan Adani, CEO (DIN: 03088095) as Whole Time Director of the Company, for a period of five years w.e.f. 24<sup>th</sup> May, 2022, on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration so as the total remuneration payable to him shall not exceed the limits specified in Schedule V of the Act including any statutory modification or re-enactment thereof, for the time being in force and as agreed by and between the Board and Mr. Karan Adani.

**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Act, wherein any financial year the Company has no profits or inadequate profit, Mr. Karan Adani will be paid minimum remuneration within the ceiling limit prescribed under Schedule V of the Act or any modification or re-enactment thereof.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V of the Act, the Board be and is hereby authorized to vary and alter the terms of appointment including salary, perks and other benefits payable to Mr. Karan Adani within such prescribed limit or ceiling as agreed by and between the Board and Mr. Karan Adani without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors or its Committee thereof be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

8. To consider and if thought fit, approve the re-appointment of Mr. Bharat Sheth (DIN: 00022102) as an Independent Director (Non-Executive) of the Company to hold office for second term of consecutive three years upto 14<sup>th</sup> October, 2025 and to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules made thereunder, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Bharat Sheth (DIN: 00022102), who was appointed as an Independent Director and who hold office upto 14<sup>th</sup> October, 2022 and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a shareholder proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of three consecutive years w.e.f. 15<sup>th</sup> October, 2022."

9. To consider and if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company during the financial year 2022-23 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier arrangements/ transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with Adani Enterprises Limited, a related party of the Company, during the financial year 2022-23 as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall

be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules made thereunder, as amended from time to time, the Board of Directors be and is hereby authorized to appoint Branch Auditors of any branch office of the Company, whether existing or which may be opened hereafter, outside India, in consultation with the Company's Statutory Auditors, any person(s)/ firm(s) qualified to act as Branch Auditor in terms of the provisions of Section 143(8) of the Act and to fix their remuneration."

By order of the Board of Directors  
For **Adani Ports and Special Economic Zone Limited**

**Kamlesh Bhagia**  
Company Secretary  
Membership No.: ACS 19198

Place: Ahmedabad  
Date: 24<sup>th</sup> May, 2022

**Registered Office:**

"Adani Corporate House",  
Shantigram,  
Nr. Vaishno Devi Circle,  
Khodiyar, Ahmedabad - 382421,  
Gujarat, India  
CIN: L63090GJ1998PLC034182

**NOTES:**

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the shareholders at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and Circular No. 02/2022 dated 5<sup>th</sup> May, 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13<sup>th</sup> May, 2022 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said circulars, the 23<sup>rd</sup> AGM of the shareholders will be held through VC/OAVM. Hence, shareholders can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company's website [www.adaniports.com](http://www.adaniports.com).
2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 022-23058542/43.
3. Information regarding re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 (the Act) and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) is annexed hereto.
4. Pursuant to the Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the shareholders is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. The attendance of the shareholders attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / RTA (if shares held in physical form).  
  
A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) by 15<sup>th</sup> July, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.  
  
Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). The aforesaid declarations and documents need to be submitted by the shareholders by 15<sup>th</sup> July, 2022.
7. In line with the aforesaid MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.adaniports.com](http://www.adaniports.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com)
8. The Company has fixed Friday, 15<sup>th</sup> July, 2022 as the 'Record Date' for determining entitlement of shareholders to receive dividend for the FY 2021-22, if approved at the AGM.  
  
Those shareholders whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after Thursday, 28<sup>th</sup> July, 2022, subject to applicable TDS.

9. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
10. Shareholders holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R&T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
11. In terms of Section 72 of the Act, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to Company's R&T Agent for nomination form by quoting their folio number.
12. The balance lying in the unpaid dividend account of the Company in respect of dividend declared for the financial year 2014-15 will be transferred to the Investor Education and Protection Fund of the Central Government by October, 2022. Shareholders who have not encashed their dividend warrants pertaining to the said year may approach the Company or its R&T Agent for obtaining payments thereof by September, 2022.
13. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode.
14. The Shareholders can join the AGM through the VC/OAVM mode 15 (fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 shareholders on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
15. **Process and manner for shareholders opting for voting through Electronic means:**
  - i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020, 5<sup>th</sup> May, 2020, 13<sup>th</sup> January, 2021, 14<sup>th</sup> December, 2021 and 5<sup>th</sup> May, 2022, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a shareholder using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
  - ii. Shareholders whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Tuesday, 19<sup>th</sup> July, 2022, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - iii. A person who has acquired the shares and has become a shareholder of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Tuesday, 19<sup>th</sup> July, 2022, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.
  - iv. The remote e-voting will commence on Friday, 22<sup>nd</sup> July, 2022 at 9.00 a.m. and will end on Monday, 25<sup>th</sup> July, 2022 at 5.00 p.m. During this period, the shareholders of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Tuesday, 19<sup>th</sup> July, 2022 may cast their vote electronically. The shareholders will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
  - v. Once the vote on a resolution is cast by the Shareholder, he/she shall not be allowed to change it subsequently or cast the vote again.
  - vi. The voting rights of the shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Tuesday, 19<sup>th</sup> July, 2022.

vii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

16. **Process for those shareholders whose email ids are not registered:**

- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA email id [rnt.helpdesk@linktime.co.in](mailto:rnt.helpdesk@linktime.co.in).
- b) For Demat shareholders - Please update your e-mail id and mobile no. with your respective Depository Participant (DP).

17. **The instructions for shareholders for remote voting are as under:**

- (i) The voting period begins on Friday, 22<sup>nd</sup> July, 2022 at 9.00 a.m. and will end on Monday, 25<sup>th</sup> July, 2022 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 19<sup>th</sup> July, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, under Regulation 44 of Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/ CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on Shareholders.
3. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
  5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

6. If you are a first time user follow the steps given below:

**For Shareholders holding shares in Demat Form other than individual and Physical Form.**

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of the Company – **ADANI PORTS AND SPECIAL ECONOMIC ZONE LIMITED** on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
  - If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.
18. The instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:-
1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
  2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
  3. Only those shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
  4. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders participating in the meeting.
  5. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
19. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.adaniports.com](http://www.adaniports.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) within two days of the passing of the Resolutions at the 23<sup>rd</sup> Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
20. Instructions for shareholders for attending the AGM through VC/OAVM are as under:
1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders'/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
  2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
  3. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. For ease of conduct, shareholders who would like to ask questions may send their questions in advance atleast 7 days before AGM mentioning their name, demat account number / folio number, email id, mobile number at [investor.apeztl@adani.com](mailto:investor.apeztl@adani.com) and register themselves as a speaker. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
  6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

**Contact Details:**

<b>Company</b>	:	Adani Ports and Special Economic Zone Limited Regd. Office: "Adani Corporate House", Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India CIN: L63090GJ1998PLC034182 E-mail: investor.apsezl@adani.com
<b>Registrar and Transfer Agent</b>	:	M/s. Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India Tel: +91-22-49186270 Fax : +91-22- 49186060 E-mail: rnt.helpdesk@linkintime.co.in
<b>e-Voting Agency</b>	:	Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com Phone: 022-23058542/43
<b>Scrutinizer</b>	:	CS Chirag Shah Practising Company Secretary E-mail: pcschirag@gmail.com

## ANNEXURE TO NOTICE

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("ACT") AND / OR REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI LISTING REGULATIONS").**

### For Item No. 6

The Shareholders at the 18<sup>th</sup> Annual General Meeting of the Company held on 9<sup>th</sup> August, 2017, re-appointed Mr. Gautam S. Adani as a Managing Director for a period of five years w.e.f. 1<sup>st</sup> July, 2017. The present term of his appointment as a Managing Director shall expire on 30<sup>th</sup> June, 2022. The Board of Directors on the recommendation of Nomination and Remuneration Committee at its meeting held on 10<sup>th</sup> May, 2022 had reappointed Mr. Gautam S. Adani as a Managing Director for a further period of five years w.e.f. 1<sup>st</sup> July, 2022 on the terms and conditions mentioned in the draft agreement to be entered into between the Company and Mr. Gautam S. Adani.

Mr. Gautam S. Adani, the Chairman and Founder of the Adani Group has been associated with the Company as a Managing Director since inception. With his ambitious and entrepreneurial vision, coupled with great vigour and hard work, Adani group has achieved numerous milestones and also resulted in creation of a robust business model which is contributing towards building sound infrastructure in India.

The brief particulars of re-appointment and remuneration payable to Mr. Gautam S. Adani are as follows:

- Tenure of re-appointment: Five years w.e.f. 1<sup>st</sup> July, 2022.
- Salary: ₹15.00 lakhs per month
- Commission: Upto 2% of the Company's Net Profit for each financial year as calculated in accordance with Section 198 of the Act.

In addition to salary and commission, he may be provided any benefit, allowances or perquisites as may be determined by the Board of Directors or Nomination and Remuneration Committee within the overall ceiling limit of Schedule V of the Act.

The total remuneration which can be paid to Mr. Gautam S. Adani shall not exceed the maximum limit admissible under provisions of Schedule V of the Act.

In the event of absence or inadequacy of profits of the Company in any financial year, Mr. Gautam S. Adani will be entitled to receive the same remuneration, perquisites and benefits as aforesaid, subject to the compliance with the applicable provisions of Schedule V of the Act.

The Board of Directors or Nomination and Remuneration Committee is authorized to fix, alter and/or vary from time to time the quantum / periodicity / composition of the remuneration payable to the Managing Director, including the modes of payment, in such manner and to such extent not exceeding the limits specified in the Act and Schedule V thereto or such other provisions as may be applicable in this regard, as in force from time to time.

The draft agreement to be executed between Mr. Gautam S. Adani and the Company is available for inspection by any Shareholder in electronic mode during the working hours upto the date of the AGM.

The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

Brief resume and other details of Mr. Gautam S. Adani are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the said resolution for your approval.

Except Mr. Gautam S. Adani, Mr. Rajesh S. Adani, Mr. Karan Adani and their relatives, none of the other Directors or Key Managerial Personnel or their relatives is, in anyway, concerned or interested, financially or otherwise, in the said resolution.

This along with the relevant resolution, may be treated as an Abstract pursuant to Section 190 of the Act.

### For Item No. 7

The shareholders at the 18<sup>th</sup> Annual General Meeting of the Company held on 9<sup>th</sup> August, 2017, appointed Mr. Karan Adani, CEO as Whole Time Director of the Company for a period of five years w.e.f. 24<sup>th</sup> May, 2017. The present term of his appointment as Whole Time Director shall expire on 23<sup>rd</sup> May, 2022.

Mr. Karan Adani holds a degree in economics from the Purdue University, USA. He has been deeply involved in managing the port operations since 2009 and looks after the strategic development of all the Adani ports in India. He aims to build the Group's identity around an integrated logistics business model, backed by his sound understanding of new processes, systems and macro-economic issues, coupled with his growing experience.

The Board of Directors on the recommendation of Nomination and Remuneration Committee at its meeting held on 10<sup>th</sup> May, 2022 had reappointed Mr. Karan Adani as a Whole Time Director for a further period of five years w.e.f. 24<sup>th</sup> May, 2022 at a remuneration of ₹5.50 crore per annum including salary, perks and other benefits (including variable pay of ₹2.20 crore) with a liberty to the Board of Directors or Nomination and Remuneration Committee to revise the remuneration without approval of Shareholders within the prescribed ceiling limit of Schedule V and other applicable provisions of the Companies Act, 2013 ("Act").

In the event of absence or inadequacy of profits of the Company in any financial year, Mr. Karan Adani will be entitled to receive the remuneration, perquisites and benefits as aforesaid, subject to the compliance with the applicable provisions of Schedule V of the Act.

Mr. Karan Adani shall be liable to retire by rotation and shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

The Board of Directors recommends the said resolution for your approval.

Except Mr. Gautam S. Adani, Mr. Rajesh S. Adani, Mr. Karan Adani and their relatives, none of the other Directors or Key Managerial Personnel or their relatives is, in anyway, concerned or interested, financially or otherwise, in the said resolution.

This along with the relevant resolution, may be treated as an Abstract pursuant to Section 190 of the Act.

#### **For Item No. 8**

Mr. Bharat Sheth was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") and rules made thereunder. He holds office as an Independent Director of the Company upto 14<sup>th</sup> October, 2022.

The Nomination and Remuneration Committee, on the basis of the report of performance evaluation of Independent Directors has recommended the re-appointment of Mr. Bharat Sheth as an Independent Director for a second term of three years upto 14<sup>th</sup> October, 2025. The second term has been limited to three years, so that the overall tenure of an Independent Director does not exceed six years, in line with global ESG practices. This practice shall be implemented by the Company on a progressive basis.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of Nomination and Remuneration Committee considers that given the background and

experience and contributions made by of Mr. Bharat Sheth during his tenure, the continued association of Mr. Bharat Sheth would be beneficial to the Company and it is desirable to continue availing his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Bharat Sheth as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of three years on the Board of the Company. Section 149 of the Act prescribes that an independent director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides further that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the Company and disclosure of such appointment in its Board's report. Section 149(11) of the Act provides that an Independent Director may hold office for up to two consecutive terms.

Mr. Bharat Sheth is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mr. Bharat Sheth is Deputy Chairman and Managing Director of The Great Eastern Shipping Company Limited, one of India's premier shipping enterprises. Born in 1958 to India's first family of shipping entrepreneurs, Mr. Bharat Sheth formally joined the industry in 1981. In the initial years of his career, he worked in The Great Eastern Shipping Company gaining hands on experience of the business aspects of shipping. He was inducted onto the Company's Board as an Executive Director in 1989 and became Managing Director of the Company in 1999. In August 2005, he was appointed Deputy Chairman and Managing Director.

The Company has received notice in writing from a shareholder under Section 160 of the Act proposing the candidature of Mr. Bharat Sheth for the office of Independent Director of the Company. The Company has also received a declaration from Mr. Bharat Sheth that he meets the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

In the opinion of the Board, Mr. Bharat Sheth fulfils the conditions for appointment as Independent Director as specified in the Act.

Copy of the draft letter for re-appointment of Mr. Bharat Sheth as an Independent Director (Non-Executive) setting out terms and conditions would be available for inspection in electronic mode.

Brief resume and other details of Mr. Bharat Sheth are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends the said resolution for your approval.

Mr. Bharat Sheth is deemed to be interested in the said resolution as it relates to his re-appointment. None of other the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution.

#### For Item No. 9

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective 1<sup>st</sup> April, 2022, mandates prior approval of shareholders by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned Company and at an arm's length basis. Effective from 1<sup>st</sup> April, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower. Further, in accordance with the said regulation,

a related party transaction that has been approved by the Audit Committee prior to 1<sup>st</sup> April, 2022 which continues beyond such date and becomes material as per the revised materiality threshold shall be placed before the shareholders in the first General Meeting held after 1<sup>st</sup> April, 2022.

In the financial year 2022-23, the Company, along with its subsidiary(ies), proposes to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the shareholders is being sought for all such arrangements / transactions proposed to be undertaken by the Company, either directly or along with its subsidiary(ies). All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on 24<sup>th</sup> May, 2022, reviewed and approved the said transaction(s), subject to approval of the shareholders, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Your Board of Directors considered the same and recommends passing of the resolutions.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated 22<sup>nd</sup> November, 2021 is provided herein below:

Particulars of material related party transactions to be entered by the Company and its Subsidiary(ies)

	Particulars	Details
i.	Name of the Related Party	Adani Enterprises Limited (AEL)
ii.	Type of transaction	The transaction involves cargo handling charges for traded commodities, infrastructure charges, aircraft services, terminal handling charges, vessel handling, corporate allocation, rendering of service, receipt of service and other transactions for business purpose from/to AEL during FY 2022-23.
iii.	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/ extant market conditions and commercial terms as on the date of entering into the contract(s).

	Particulars	Details
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	AEL is an entity in which KMP of the Company have significant influence.
v.	Tenure of the proposed transaction	During the FY 2022-23
vi.	Value of the proposed transaction	Not to exceed ₹1,750 crore.
vii.	Value of RPT as % of Company's audited consolidated annual turnover of ₹ 15,934 crore for the financial year 2021-2022.	Approx. 11%.
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	(i) Details of financial indebtedness incurred	Not Applicable
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	Not Applicable
ix.	Justification as to why the RPT is in the interest of the Company.	<p>The Company and its subsidiary (ies) provide end-to-end port &amp; logistical capabilities which include vessels management anchorage pilotage, berthing, storage and handling, processing and final evacuation by road or rail and allied services.</p> <p>AEL is engaged, inter alia, in import and exports of commodities. The Company and its subsidiary(ies), during normal course of their business, enter into transactions with AEL for cargo handling at the ports, from time to time. Further, AEL, being a flagship entity and incubator of Adani Group, procures, manages and provides various Admin, Finance, HR, IT and other consultancy services centrally to various entities of Adani Group, including to the Company and its subsidiaries, on a need basis for which AEL allocates common cost, on an arm's length basis.</p> <p>All the transactions shall be in the ordinary course of business of the Company and on an arm's length basis.</p>
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.	Nil

As per the SEBI Listing Regulations, all related parties of the Company, whether or not a party to the proposed transaction(s), shall abstain from voting on the said resolution.

The Board recommends passing of the Ordinary Resolutions, for approval by the shareholders of the Company.

Mr. Gautam S. Adani, Mr. Rajesh S. Adani and Mr. Karan Adani and their relatives are deemed to be concerned or interested in these resolutions. None of other the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, except to the extent of their shareholding in the Company, if any, in the proposed Ordinary Resolution.

**For Item No. 10**

The Company has branch outside India and may also open new branches outside India in future. It may be necessary to appoint branch auditors for carrying

out the audit of the accounts of such branches. The shareholders are requested to authorize the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Statutory Auditors and fix their remuneration.

The Board of Directors recommends the said resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, in the proposed Ordinary Resolution.

By order of the Board of Directors  
For **Adani Ports and Special Economic Zone Limited**

**Kamlesh Bhagia**  
Company Secretary  
Membership No.: ACS 19198

Place: Ahmedabad  
Date: 24<sup>th</sup> May, 2022

**Registered Office:**

"Adani Corporate House",  
Shantigram,  
Nr. Vaishno Devi Circle,  
Khodiyar, Ahmedabad - 382421,  
Gujarat, India  
CIN: L63090GJ1998PLC034182

**Annexure to Notice**  
**Details of Directors seeking re-appointment**

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he/she holds directorship as on 31.03.2022	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2022
Mr. Rajesh S. Adani	57 years 07.12.1964 (1 share)	B.Com.	Mr. Rajesh S. Adani has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalized approach to the business and competitive spirit has helped towards the growth of the Group and its various businesses.	<ul style="list-style-type: none"> <li>• Adani Enterprises Ltd.</li> <li>• Adani Ports and Special Economic Zone Ltd.</li> <li>• Adani Power Ltd.</li> <li>• Adani Transmission Ltd.</li> <li>• Adani Welspun Exploration Ltd.</li> <li>• Adani Green Energy Ltd.</li> <li>• Adani Institute for Education and Research</li> </ul>	<p><b>Adani Enterprises Ltd. ^^</b></p> <ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee (Member)</li> </ul> <p><b>Adani Power Ltd. ^^</b></p> <ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee (Member)</li> </ul> <p><b>Adani Transmission Ltd. ^^</b></p> <ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee (Member)</li> <li>• Risk Management Committee (Member)</li> </ul>
Mr. Gautam S. Adani	59 years 24.06.1962 (1 share)	S.Y.B.Com.	Mr. Gautam S. Adani, the Chairman and Founder of the Adani Group has been associated with the Company as a Managing Director since inception. With his ambitious and entrepreneurial vision, coupled with great vigour and hard work, Adani group has achieved numerous milestones and also resulted in creation of a robust business model which is contributing towards building sound infrastructure in India.	<ul style="list-style-type: none"> <li>• Adani Enterprises Ltd.</li> <li>• Adani Ports and Special Economic Zone Ltd.</li> <li>• Adani Power Ltd.</li> <li>• Adani Transmission Ltd.</li> <li>• Adani Green Energy Ltd.</li> <li>• Adani Total Gas Ltd.</li> <li>• Adani Institute for Education and Research</li> <li>• Adani Properties Pvt. Ltd.</li> </ul>	Nil

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he/she holds directorship as on 31.03.2022	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2022
Mr. Karan Adani	34 years 07.04.1987	Degree in Economics from Purdue University, USA.	Mr. Karan Adani holds a degree in economics from the Purdue University, USA. He has been deeply involved in managing the port operations since 2009 and looks after the strategic development of all the Adani ports in India. He aims to build the Group's identity around an integrated logistics business model, backed by his sound understanding of new processes, systems and macro-economic issues, coupled with his growing experience.	<ul style="list-style-type: none"> <li>Adani Ports and Special Economic Zone Ltd.</li> <li>Adani Krishnapatnam Port Ltd.</li> <li>Adani Petronet (Dahej) Port Pvt. Ltd.</li> <li>Adani Hazira Port Ltd.</li> <li>The Dhamra Port Company Ltd.</li> <li>Adani Vizhinjam Port Private Ltd.</li> <li>Adani Gangavaram Port Pvt. Ltd.</li> <li>Adani Airport Holdings Ltd.</li> <li>Marine Infrastructure Developer Pvt. Ltd.</li> <li>Adani Total Pvt. Ltd.</li> </ul>	<b>Adani Ports and Special Economic Zone Ltd</b> ^^ <ul style="list-style-type: none"> <li>Stakeholders Relationship Committee (Member)</li> <li>Legal, Regulatory &amp; Tax Committee (Member)</li> <li>Reputation Risk Committee (Member)</li> <li>Mergers &amp; Acquisitions Committee (Member)</li> </ul>
Mr. Bharat Sheth	64 Years 18.01.1958	Bachelor of science in Economics from St' Andrews University, Scotland	Mr. Bharat K Sheth is Deputy Chairman and Managing Director of The Great Eastern Shipping Company Limited, one of India's premier shipping enterprises. Born in 1958 to India's first family of shipping entrepreneurs, Mr. Bharat Sheth formally joined the industry in 1981. In the initial years of his career he worked in The Great Eastern Shipping Company gaining hands on experience of the business aspects of shipping. He was inducted onto the Company's Board as an Executive Director in 1989 and became Managing Director of the Company in 1999. In August 2005, he was appointed Deputy Chairman and Managing Director.	<ul style="list-style-type: none"> <li>The Great Eastern Shipping Company Ltd.</li> <li>Adani Ports and Special Economic Zone Ltd.</li> <li>Greatship (India) Ltd.</li> <li>Accent Realty and Estates LLP</li> <li>Indian National Shipowners Association</li> <li>North of England P &amp; I Association</li> <li>Steamship Mutual</li> <li>Underwriters Association</li> <li>The International Tankers Owners Pollution Federation Ltd.</li> <li>Safe Enterprises</li> </ul>	<b>Adani Ports and Special Economic Zone Ltd</b> ^^ <ul style="list-style-type: none"> <li>Reputation Risk Committee (Chairman)</li> </ul> <b>The Great Eastern Shipping Company Ltd</b> ^^ <ul style="list-style-type: none"> <li>Stakeholders Relationship Committee (Member)</li> </ul>

^^ Listed Companies

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above director please refer to the Corporate Governance Report.

## Abbreviations

Acronym	Full form
AALL	Adani Agri Logistics Limited
ABPPL	Adani Bangladesh Ports Private Limited
ACC	Acc Cement Ltd.
ACMTPL	Adani CMA Mundra Terminal Pvt. Ltd.
ADR	American Depository Receipt
AECTPL	Adani Ennore Container Terminal Pvt. Ltd.
AEL	Adani Enterprise Ltd.
AEO	Authorised Economic Operator
AFTO	Automobile Freight Train Operator
AGEL	Adani Green Energy Ltd.
AGM	Annual General Meeting
AGT	Annual Guaranteed Tonnage
AHMPL	Adani Hospitals Mundra Pvt. Ltd.
AHPL	Adani Hazira Port Limited
AICTPL	Adani International Container Terminal Pvt. Ltd.
AITPL	Adani International Terminals Pte Ltd.
AKBTPL	Adani Kandla Bulk Terminal Pvt. Ltd.
AKPL	Adani Krishnapatnam Port Ltd.
ALL	Adani Logistics Ltd.
ALSPL	Adani Logistics Services Pvt. Ltd.
AMA	Ahmedabad Management Association
AMCT	Adani Mundra Container Terminal
AMPTPL	Adani Murmugao Port Terminal Pvt. Ltd.
AOC	Accounts Of Companies
APDPPL	Adani Petronet (Dahej) Port Pvt. Ltd.
APL	Adani Power Ltd.
APMS	Adani Port Management System
APO	Abbot Point Operations Pty Ltd.
APSEZ	Adani Ports and Special Economic Zone Ltd.
AS	Accounting Standard
ASDC	Adani Skill Development Centre
ASEAN	Association Of Southeast Asian Nations
ASSOCHAM	The Associated Chambers Of Commerce And Industry Of India
ATGL	Adani Total Gas Ltd.
ATL	Adani Transmission Ltd.
ATPL	Adani Total Pvt. Ltd.
AUB	Actual Utilization Basis
AUD	Australian Dollar
AVCTPL	Adani Vizag Coal Terminal Pvt. Ltd.
AVM	Adani Vidya Mandir
AVMB	Adani Vidya Mandir, Bhadreswar
AVPPL	Adani Vizhinjam Port Pvt. Ltd.
AWSPL	Adani Warehousing Services Pvt. Ltd.

Acronym	Full form
AYITCL	Adani Yangon International Terminal Company Ltd.
BDT	Bangladesh Taka
BOO	Build Own & Operate
BOT	Build Operate And Transfer
BPS	Basis Points
BRCPL	Bowen Rail Company Pty Ltd.
BRO	Bowen Rail Operation Pte Ltd
BRSR	Business Responsibility and Sustainability Report
BSC	British Safety Council
BSE	Bombay Stock Exchange
CA	Chartered Accountant
CAGR	Compound Annual Growth Rate
CAMB	Centre For Advanced Marine Biology
CARE	Care Ratings
CBSE	Central Board Of Secondary Education
CC	Cubic Centemeter
CCEA	Cabinet Committee On Economic Affairs
CCTV	Closed-Circuit Television
CDM	Clean Development Mechanism
CDP	Carbon Disclosure Project
CDSL	Central Depository Services (India) Ltd
CEO	Chief Executive Officer
CESTAT	Customs Excise And Service Tax Appellate Tribunal
CETP	Common Effluent Treatment Plant
CEZ	Coastal Employment Zone
CFO	Chief Financial Officer
CFS	Container Freight Station
CGD	City Gas Distribution
CGU	Cash-Generating Unit'S
CHWIF	Common Hazardous Wastes Incineration Facility
CII	Confederation Of Indian Industry
CIN	Corporate Identification Number
CIO	Chief Information Officer
CIRP	Corporate Insolvency Resolution Process
CIT	Commissioner Of Income-Tax
CITES	Convention On International Trade In Endangered Species Of Wild Fauna And Flora
CMA-CGM	CMA CGM S.A.
COD	Commercial Operational Date
CONCOR	Container Corporation of India Ltd.
COO	Chief Operating Officer
COP	Communications On Progress

Acronym	Full form
COSO	Committee of Sponsoring Organization
CP	Commercial Paper
CPCB	Central Pollution Control Board
CRP	C-Reactive Protein (Crp) Test
CRR	Capital Redemption Reserve
CRZ	Coastal Regulation Zone
CSA	Corporate Sustainability Assessment
CSC	Customer Service Cell
CSD	Cutter Suction Dredger
CSO	Central Statistics Office
CSR	Corporate Social Responsibility
CT	Container Terminal
CXO	Term Referred To C-Suite Employees
DAV	Dayanand Anglo-Vedic
DBFOO	Design, Built, Finance, Own And Operate
DCF	Discounted Cash Flow
DDO	District Development Officer
DDT	Dividend Distribution Tax
DFC	Dedicated Freight Corridor
DFCCIL	Dedicated Freight Corridor Corporation Of India
DFCEC	Duty Free Credit Entitlement Certificate
DG	Diesel Generator/ Director General (To Be Used Contextually)
DIN	Director Identification Number
DIPL	Dholera Infrastructure Pvt. Ltd.
DJSI	Dow Jones Sustainability Indices
DLNG	Dhamra LNG Terminal Pvt. Ltd.
DPCL	The Dhamra Port Company Ltd.
DPD	Direct Port Devlivery
DPE	Direct Port Entry
DPEO	District Primary Education Officer
DPL	Dighi Port Ltd.
DPT	Deendayal Port Trust
DRR	Debenture Redemption Reserve
DRTG	Diesel Rubber Tyred Gantry
DRV	Depreciated Replacement Value
DSRA	Debt Service Reserve Account
DTL	Deferred Tax Liability
DWT	Dead Weight Tonnage
EAC	Expert Appraisal Committee
EBIT	Earnings Before Interest And Taxes
EBITA	Earnings Before Interest, Taxes, And Amortisation
EBITDA	Earnings Before Interest, Taxes, Depreciation And Amortisation
EC	Executive Committee
ECL	Expected Credit Loss
EDFC	Eastern Dedicated Freight Corridor
EHS	Environment Health And Safety

Acronym	Full form
EIA	Environmental Impact Assessment
EIR	Effective Interest Rate
EMP	Environment Management Plan
EODB	Ease Of Doing Business
EPCG	Export Promotion Capital Goods
EPS	Earnings Per Share
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ERTG	Electric Rubber Tyred Gantry
ESG	Environment Social And Governance
ESMS	Environment And Social Management System
ETP	Effluent Treatment Plant
EU	European Union
EUR	Euro
EXIM	Export-Import
EY	Ernst & Young
FC	Fulfilment Centres
FCC	Fertilizer Cargo Complex
FCI	Food Corporation Of India
FCMITDA	Foreign Currency Monetary Item Translation Difference Account
FDI	Foreign Direct Investment
FICCI	Federation Of Indian Chambers Of Commerce & Industry
FIEO	Federation Of Indian Export Organisations
FKI	Federation Of Kutch Industries
FO	Furnace Oil
FPG	Final Price Guidance
FRM	Fertilizer Raw Material
FSSAI	Food Safety And Standards Authority Of India
FTA	Free Trade Agreement
FTE	Fixed Term Employee
FTWZ	Free Trade And Warehousing Zones
FVTOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit Or Loss
FY	Financial Year
GA	Geographical Area
GAAP	Generally Accepted Accounting Principles
GAIMS	Gujarat Adani Institute Of Medical Sciences
GBP	British Pound Sterling
GCC	General Contract Condition
GCCI	Gujarat Chamber Of Commerce And Industry
GDA	General Duty Assistants
GDP	Gross Domestic Product
GDR	Global Depository Receipt

Acronym	Full form
GEC	Gujarat Ecology Commission
GHG	Green House Gas
GIDC	Gujarat Industrial Development Corporation
GJ	Giga Joule
GMB	Gujarat Maritime Board
GOG	Government of Gujarat
GOI	Government of India
GP	Gram Panchayat
GPL	Gangavaram Port Ltd.
GPS	Global Positioning System
GPW	General Purpose Wagon
GPWIS	General Purpose Wagon Investment Scheme
GRI	Global Reporting Initiative
GSC	Gujarat Safety Council
GSEB	Gujarat State Electricity Board
GSM	Global System For Mobile Communications
GSPCB	Gujarat State Pollution Control Board
GST	Goods And Services Tax
GVA	Gross Value Added
Ha	Hectare
HAIA	Hazira Area Industries Association
HC	High Court
HDL	High Density Lipoprotein
HFO	Heavy Fuel Oil
HPMV	High Pressure Mercury Vapour
HPSV	High Pressure Sodium Vapor
HR	Human Resource/ Hot Rolled (To Be Used Contextually)
HSD	High Speed Diesel
HSE	Health Safety And Environment
HVDC	High Voltage Direct Current
IAS	Indian Administrative Services
IBBI	Insolvency And Bankruptcy Board of India
IBEF	India Brand Equity Foundation
ICAI	Institute Of Chartered Accountants of India
ICD	Inland Container Depot
ICRA	ICRA Credit Rating Agency
ICU	Intensive Care Unit
IEPF	Investor Education And Protection Fund
IFC	International Finance Corporation
IFRC	International Federation Of Red Cross and Red Crescent Societies
IFS	Integrated Farming Scheme
IG	Investment Grade
IIM	Indian Institute of Management

Acronym	Full form
IIMA	Indian Institute of Management Ahmedabad
IIRC	International Integrated Reporting Council
IIT	Indian Institute of Technology
ILO	International Labour Organization
IMF	International Monetary Fund
IMS	Integrated Management System
INR	Indian Rupee
INX	India International Exchange Limited
IPA	Indian Ports Association
IPCC	Intergovernmental Panel on Climate Change
IPD	In Patient Department
IPG	Initial Price Guidance
IPP	Integrated Power Producer
IR	Intergated Report/ Investor Relations (To Be Used Contextually)
IRCTC	Indian Railway Catering and Tourism Corporation
IRR	Internal Rate of Return
ISAE	International Standards For Assurance Engagements
ISIN	International Securities Identification Number
ISO	International Organization For Standardization
IT	Information Technology
ITC	Input Tax Credit
ITV	Inland Transport Vehicle
IUCN	International Union for Conservation of Nature
IWMA	Industrial Waste Management Association
IWT	Inland Water Transport
JMVP	Jal Marg Vikas Project
JNPT	Jawaharlal Nehru Port Trust
JNV	Jawahar Navodaya Vidyalay
JNV - EE	Jawahar Navodaya Vidyalay Entrance Examination
JPY	Japanese Yen
JSA	Job Safety Analysis
JV	Joint Venture
KAPL	Karnavati Aviation Pvt. Ltd.
KL	Kilo Litre
KLD	Kilo Litre Per Day
KM	Kilo Meter
KMP	Key Managerial Personnel
KPL	Kamarajar Port Ltd.
KRCL	Kutch Railway Company Ltd.
KRIBHCO	Krishak Bharati Cooperative

Acronym	Full form
KSKV	Krantiguru Shyamji Krishna Verma Kachchh University
KW	Kilo Watt
KWH	Kilo Watt Hour
LED	Light Emitting Diode
LIBOR	London Inter-Bank Offered Rate
LIC	Life Insurance Corporation
LLP	Limited Liability Partnership
LNG	Liquefied Natural Gas
LODR	Listing Obligations and Disclosure Requirements
LOTO	Lock Out Tag Out
LPG	Liquified Petroleum Gas
LTI	Loss Time Injury
LTIFR	Lost Time Injury Frequency Rate
MARPOL	The International Convention For The Prevention Of Pollution From Ships
MAT	Minimum Alternative Tax
MBU	Mobile Bagging Unit
MCA	Model Concession Agreement/ Ministry Of Corporate Affaires
MCFT	Million Cubic Feet
MCLR	Marginal Cost Of Funds Based Lending Rate
MCS	Management Control Systems
MDA	Management Discussion and Analysis
MEC	Myanmar Economic Corporation
MGC	Minimum Guarantee Cargo
MHCU	Mobile Health Care Units
MHS	Machine Handling System
MIAPL	Mundra International Airport Pvt. Ltd.
MIC	Myanmar Investment Commission
MICTL	Mundra International Container Terminal Ltd.
MIDPL	Marine Infrastructure Developer Pvt Ltd.
MITAP	Mundra Sez Textile and Apparel Park Pvt. Ltd.
ML	Million Litre
MLD	Million Litre Per Day
MLP	Minimum Lease Payments
MLPR	Minimum Lease Payments Receivable
MMBTU	Million Metric British Thermal Unit
MMK	Myanmar Kyat
MMLP	Multi-Modal Logistics Parks
MMT	Million Metric Tonne
MMTPA	Million Metric Tonne Per Annum
MOEF & CC	Ministry Of Environment, Forest And Climate Change
MOU	Memorandum Of Understanding

Acronym	Full form
MPT	Multi Purpose Terminal At Mundra/ Mormugao Port Trust Goa (To Be Used Contextually)
MSC	Mediterranean Shipping Company
MSCI	Morgan Stanley Capital International
MSME	Micro, Small & Medium Enterprises
MSMED	Medium Enterprises Development
MT	Metric Tonne
MTEU	Million Twenty Foot Equivalent Unit
MTEUS	Million Twenty Foot Equivalent Units
MTM	Mark To Market
MTPA	Metric Tonne Per Annum
MU	Million Unit
MUL	MPSEZ Utilities Ltd.
MW	Mega Watt
NABET	National Accreditation Board For Education And Training
NAV	Net Asset Value
NCAP	Natural Capital Action Plan
NCD	Non Convertible Debentures
NCL	Northern Coalfield Limited
NCLT	National Company Law Tribunal
NCRPS	Non-Cumulative Redeemable Preference Shares
NCSCM	National Centre For Sustainable Coastal Management
NDC	Nationally Determined Contributions
NEERI	National Environmental Engineering Research Institute
NGO	Non-Governmental Organization
NGRBC	National Guidelines On Responsible Business Conduct
NGT	National Green Tribunal
NH	National Highways
NHB	National Housing Board
NID	National Institute of Design
NIFT	National Institute of Fashion Technology
NIO	National Institute of Oceanography
NMMS	National Means-Cum-Merit Scholarship
NOS-DCP	National Oil Spill Disaster Contingency Plan
Nox	Nitrogen Oxide Gases
NRI	Non Resident Indian
NSC	National Safety Council
NSDC	National Skill Development Corporation
NSDL	National Securities Depository Ltd
NSE	National Stock Exchange
NSOP	Non-Scheduled Operation Permit
NVG	National Voluntary Guidelines
NW	National Waterway
OAVM	Other Audio Visual Means

Acronym	Full form
ODS	Ozone Depleting Substances
OFAC	Office Of Foreign Assets Control
OHS	Occupational, Health And Safety
OHSAS	Occupational Health And Safety Assessment Series
OPD	Outdoor Patient Department
PAT	Profit After Tax
PBT	Profit Before Tax
PH	Public Hearing
PHC	Primary Health Centre
PIL	Public Interest Litigation
PLL	Petronet LNG Ltd.
PM	Prime Minister (Referring To Pm Cares Fund)
PMI	Purchasing Managers Index
PNG	Piped Natural Gas
POL	Petroleum Oil And Lubricants
PPA	Power Purchase Agreement
PPE	Personal Protective Equipment
PPP	Public Private Partnership
PPT	Paradip Port Trust
PSU	Public Sector Undertaking
PTW	Permit To Work
QCI	Quality Council Of India.
RBI	Reserve Bank Of India
RCC	Reinforced Cement Concrete
RCP	Representative Concentration Pathway
RFID	Radio Frequency Identification Device
RMC	Risk Management Committee
RMGC	Rail Mounted Gantry Crane
ROCE	Return On Capital Employed
ROI	Rate Of Interest
RTG	Rubber Tyred Gantry
SAAR	Seasonally Adjusted Annual Rate
SAP	Systems, Applications & Products (Sap Erp)
SBI	State Bank Of India
SBTI	Science-Based Targets Initiative
SBU	Strategic Business Unit
SC	Supply Centres
SCA	Service Concession Arrangement
SCADA	Supervisory Control And Data Acquisition
SCC	Sustainability And Corporate Social Responsibility Committee
SCN	Show Cause Notice
SCRA	Securities Contracts (Regulation) Act
SDG	Sustainable Development Goals
SDMRI	Suganthi Devadason Marine Research Institute
SDO	Sub Divisional Officer

Acronym	Full form
SEBI	Securities And Exchange Board Of India
SECL	South Eastern Coalfields Ltd.
SEIS	Services Exports From India Scheme
SEZ	Special Economic Zone
SGCCI	Southern Gujarat Chamber Of Commerce & Industries
SGD	Singapore Dollar
SGOT	Serum Glutamic-Oxaloacetic Transaminase
SGPT	Serum Glutamic-Pyruvic Transaminase
SGX	Singapore Exchange
SHG	Self Help Groups
SIMS	Sustainability Information Management System
SLC	Sustainability Leadership Committee
SLM	Self-Learning Modules
SLP	Special Leave Petitions
SNDT	Shreemati Nathibai Damodar Thackersey
SOP	Standard Operating Procedures
Sox	Sulphur Oxides
SPCB	State Pollution Control Board
SPM	Single Point Mooring
SPPI	Solely Payments Of Principal And Interest
SRC	Stakeholders' Relationship Committee
SRCPL	Sarguja Rail Corridor Private Ltd.
SRFA	Safety Risk Field Audit
SSC	Sustainability Steering Committee
SSIDL	Shanti Sagar International Dredging Ltd.
STL	Short Term Loan
STP	Sewage Treatment Plant
STS	Ship To Ship
SUP	Single Use Plastics
SVP	Sardar Vallabhbhai Patel
SWPL	South West Port Ltd. (Jsw Terminal At Goa)
TAB	Trading Across Border
TAHSL	The Adani Harbour Services Ltd.
TASHL	The Adani Harbour Services Ltd.
TAT	Turnaround Time
TBT	Tool Box Talk
TCFD	Task Force On Climate Related Financial Disclosures
TDS	Tax Deducted At Source/ Total Dissolved Solids (To Be Used Contextually)
TED	Turtle Excluder Device
TEU	Twenty-Foot Equivalent Unit
TF	Task Force
TISS	Tata Institute Of Social Science

Acronym	Full form
TJ	Terra Joules
TLF	Truck Loading Facility
TNMB	Tamil Nadu Maritime Board
TNPCB	Tamil Nadu Pollution Control Board
TOS	Terminal Operating System
TPH	Tonnes Per Hour
TSDF	Treatment, Storage, And Disposal Facility
TUV	Technischer Überwachungsverein (English Translation: Technical Inspection Association)
UAE	United Arab Emirates
UDIN	Unique Document Identification Number
UK	United Kingdom
ULB	Urban Local Bodies
ULCC	Ultra Large Crude Carrier
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific And Cultural Organization
UNGC	United Nations Global Compact
UNICEF	United Nations Children'S Fund
US	United States

Acronym	Full form
USA	United States Of America
USD	Us Dollar
USIBC	Us India Business Council
VISL	Vizhinjam International Seaport Ltd.
VLCC	Very Large Crude Carrier
VoCPT	V. O. Chidambaranar Port Trust
VPS	Vessel Profiling System
VPT	Vizag Port Trust
VSR	Vulnerability Safety Risk
WACC	Weighted Average Cost Of Capital
WDFC	Western Dedicated Freight Corridor
WEF	World Economic Forum
WEO	World Economic Outlook
WID	Water Injection Dredger
WP	Writ Petition
WPI	Wholesale Price Index
WPPIL	Writ Petition Public Interest Litigation
WQ	Western Quay
WRI	Water Risk Indicator
WTD	Whole Time Director
WTO	World Trade Organization
YOY	Year-On-Year
YTD	Year To Date
ZED	Zero Effluent Discharge
ZUWD	Zero Unauthorised Waste Disposal
ZWI	Zero Waste Incineration
ZWL	Zero Waste To Landfill



